

The NATIONAL UNDERWRITER

Life Insurance Edition



This son will have the \$100 a month his father missed

"Dad never thought he'd need financial help from us. All his life, he planned for an independent old age. He planned—and he saved—for it. But today he finds the income from those savings sadly inadequate. Dad's trouble was that he failed to make sure that his old-age income would be guaranteed.

"We're not making that mistake. We know, right now, that we'll never be dependent on anyone else. We know we'll have at least \$100.00 a month, guaranteed, when we reach dad's age because we've assured it through Northwestern Mutual Life Insurance."

EVERY year, thousands of young men—young husbands, young fathers—are recognizing that one of the opportunities of youth is the chance to buy an adequate old-

age income—through life insurance—for less money per year than would be required later on, and at a time when buoyant health assures insurability.

Each year, thousands of men—young and middle-aged alike—follow the precedent set by 700,000 discerning buyers in selecting this company to watch over their life insurance estates.

They find in this company's basic principles the assurances of stability so desirable in a long-time investment.

They appreciate the equality of membership in this truly mutual enterprise. They perceive the strength as well as the economy of applying only one standard of selection. All must pass the same careful health tests. All must be good moral and financial risks. All must be engaged in approved occupations.

The policyholders of The Northwestern Mutual

are assured, too, of economical protection. Whether you are a present or a prospective policyholder, a request to a Northwestern Mutual agent will secure factual evidence that the returns per dollar invested are exceptionally large—that Northwestern Mutual insurance costs are exceptionally low.

If you would learn of the many other qualities which attract so many younger men to The Northwestern Mutual, consult a Northwestern Mutual agent. He is one who has aided many a young man (along with his older policyholders) in framing an insurance program to provide maximum protection commensurate with a young man's financial position. Talk to him to learn the sure way to future financial independence—for yourself if you live, for your family should you die.

Ask for the new booklet, "Tomorrow's Dollars."



We are **THE NORTHWESTERN MUTUAL**
MILWAUKEE, WISCONSIN

(This full page advertisement will appear in the Saturday Evening Post of August 10th)

FRIDAY, AUGUST 9, 1940

THE AMERICAN WAY OF LIFE I N S U R A N C E

Independence

Financial provision for Family and Self, avoiding dependence on others.

Self-Reliance

Thrift and Foresight. Saving for the day of possible adversity.

Individual Initiative

Outstanding example of voluntary free enterprise. Whole economic structure made more stable and secure; moral fibre of race strengthened.

Preservation of Home

Strength, solidarity and continuity of family life encouraged and safeguarded.

Property and Accumulation Safeguarded

Estate creation facilitated, protected and preserved for family and heirs.

Human Values Emphasized

Greatest Asset of Nation—its "life values"—insured and conserved.

Checks and Balances

Based on the law of average, with adequate offsets against death or disability, and ample reserves for contingencies.

Demonstration of Democracy

Ownership and control by the members. Practical cooperation through mutual assistance, with equitable participation in benefits.

THE EQUITABLE

L I F E A S S U R A N C E S O C I E T Y

O F T H E

U N I T E D S T A T E S

393 SEVENTH AVENUE
NEW YORK, N. Y.

THOMAS I. PARKINSON
President

The NATIONAL UNDERWRITER

Forty-fourth Year—No. 32

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, AUGUST 9, 1940

\$3.00 Year, 15 Cents a Copy

Change in War Risk Insurance Plan Is Being Pondered

May Adopt Social Security Plan Plus Death-Disability Indemnity

While Congressmen are battling over the proposed military service conscription measure in Washington, serious consideration is being given methods of providing insurance protection to those drafted.

The possibilities of changing the war risk insurance program set up in the world war are being scouted with the idea of using the social security plan as a basis. Under this suggestion the government would continue to pay the conscript's social security tax on his past average earnings and also provide additional indemnity in case of death or disability during his service and for a period of about two years afterward. Provision may be made for paying the premiums on the conscript's existing private life insurance up to a certain limit.

Pension Evil Remains

One of the main objectives of the war risk insurance program was to eliminate the evils of veterans' pensions. However, this was not realized as world war veterans have already been paid bonuses and further demands in this direction are probable.

The war risk insurance act is still in effect and about 5,000 applications are now being received a month for this coverage.

World war loss experience was not any too good and those who have been studying the problem fear that if the plan is resumed on a large scale as it was in the world war the results may be extremely serious. At one time there was about \$40,000,000,000 war risk insurance in force. A high rate of mortality on such an amount of business would tax the government's resources. The disability provision in the war risk contract is now out of line with present insurance practices, total and permanent disability waiver of premium and \$5.75 monthly income per \$1,000 being provided without charge. The war risk insurance is also on a 3½ percent reserve basis, which is open to debate.

Take Realistic Attitude

The government men who are studying the situation are not politicians and they are taking a realistic attitude. They recognize that it would not be possible to propose changes unless alternatives are suggested. By providing special death and disability indemnity during service and for a short term thereafter, the troublesome deferred claims for disability developing four or five years after discharge which are al-

Life Investment Seminar Is Highly Successful

The 1940 Life Officers Investment Seminar, conducted at Indiana University, Bloomington, Ind., under the joint auspices of the American Life Convention and Indiana University, proved so highly successful that those who were fortunate enough to have attended are freely predicting it will be continued for many years and that it will prove of immeasurable value, not only to those in attendance, but to their companies and the life insurance business generally.

For the first year a maximum number of 75 students was established. The 1940 seminar had an actual enrollment of 73 from 57 companies domiciled in 25 states and the District of Columbia. It is probable that in 1941 the requests for the privilege of attending the seminar will increase to such an extent some consideration may be given to the possibility of increasing the maximum enrollment to 80. But under no circumstances will that figure be exceeded. The students of the 1940 class will be given preference in the reservation list for next year, since it is contemplated that the men who enroll shall continue through an integrated course of study over a three-year period.

Executives Took the Course

In addition to the widespread geographical attendance at the 1940 seminar, further evidence of the great interest in the course was the number of important company executives who took time to go through the initial program of study. The 1940 student body included seven company presidents, fifteen vice-presidents and 13 treasurers, as well as many secretaries and various other titled executives, such as managers of bond or mortgage departments, etc. The group also included one medical director and two actuaries.

The Investment Seminar marked the final realization of plans and efforts carried on by the officers of the Financial Section of the American Life Convention for several years. A few years back it was proposed that the Financial Section should sponsor a school for the investment officers of life insurance companies. Those proposals were finally approved by the executive committee of the American Life Convention and a committee was appointed to work out the details in conjunction with the representatives of various colleges and universities.

The course of study was primarily

leged to be the result of military service, would be eliminated.

Possibilities are being weighed for providing that a premium credit can be taken on the short term coverage after service and be applied to private insurance. Instead of waiting until after the short term coverage expires before making permanent insurance arrangements the incentive of having the government pay part of the private insurance premium would encourage immediate purchases. This plan would not only be of benefit to the public but it would be a boon to the life insurance business as well.

conceived for the purpose of providing a means for men interested in the investment problems of life insurance companies to study, under competent instructors, the basic economic factors that have been and are constantly at work in this country and the world generally, and their proper relationship to the investment policy of a life insurance company.

Each morning was divided into three hourly basic courses, with different instructors each week. The main course, held the first hour, had the general title of "Money Credit and Interest Rates," the instructors being C. A. Phillips, acting president and dean College of Commerce, University of Iowa, the first week, and Marcus Nadler, professor of banking and finance and research director Institute of International Finance, New York University, the second week.

The second hour for the full two weeks was devoted to various approaches to the field of mortgage loans and real estate, both urban and rural. The instructors included: E. M. Fisher, research director in mortgage and real estate finance, American Bankers Association, Washington; A. M. Weimer, dean school of business, Indiana University, and E. L. Butz, assistant professor agricultural economics, Purdue University.

Contemporary Economic Problems

The third hour was devoted to lectures and discussions on "Contemporary Economic Problems," conducted the first week by S. E. Leland, professor economics and chairman department of economics, University of Chicago, and the second week by J. E. Moffat, professor economics and head of department of economics, Indiana University.

The last two days were devoted to a study of business cycles and their states, and characteristics of each, conducted by Richard Hefebower, Washington State College.

Some of the Lecturers

Other men who contributed include: J. P. Barringer, U. S. government bond department, Guaranty Trust Company, New York; E. P. Schmidt, associate professor economics, University of Minnesota; Herbert Dorau, professor economics and chairman department of public utilities, New York University; James Land, vice-president Mellon Securities Corporation, Pittsburgh; O. P. Decker vice-president American National Bank & Trust Company, Chicago; C. H. Chatters, executive director Municipal Finance Officers Association of the United States and Canada, Chicago; C. L. Benner, vice-president and chairman finance committee Continental American Life; C. L. Parry, research associate, business research bureau, Metropolitan Life; L. S. Lyon, chief executive officer Chicago Association of Commerce; Emmett Connely, president Investment Bankers Association; H. D. Gideonse, president Brooklyn College, and Harland Allen, investment counsel. Perhaps the man most responsible for the success of the 1940 seminar was Dr. Harry Sauvain, professor finance Indi-

Companies Watching Applications from the Younger Men

Analyze the Possibility of Being Called to Military Service

NEW YORK—Life companies are becoming increasingly suspicious of the aviation hazard where a young unmarried applicant gives the slightest indication of interest in aviation, so much so that some of the leading companies doing a substantial amount of business involving the aviation hazard are issuing policies only with a war clause and an aviation exclusion rider where these indications show themselves. The fear is that these young men may become involved in the government's aviation training program, either through the Civil Aeronautics Authority program or the army reserve or else through enlistment in the British air force. Some apparently reliable estimates place the number of Americans in training in Canada as R.A.F. student pilots at several thousand with perhaps a like number already serving in England.

It is estimated that about one out of every eight male students taking a college course will enroll in the C.A.A. student pilot training program before his four years are up. Consequently applications from college students are scanned with the closest scrutiny. Even high school students are not exempt from suspicion.

No Uniformity in Attitude

There is no uniformity about the attitude of the companies, but those which are known to be liberal on aviation and which accept brokerage business are the ones most active in guarding against adverse selection, for they normally get more than their share of risks involving the aviation hazard. These companies do not go to extremes in digging around for possible aviation angles but do prick up their ears at the slightest suspicion of an applicant's interest in aviation.

For example, a high school or college boy may admit having made flights with a friend in a private plane or having taken a trip over an airport. Perhaps

(CONTINUED ON PAGE 17)

ana University who acted as director of the seminar, since he did most of the work on arrangements and direction. Dr. Sauvain was presented a watch and chain by the student body as a token of their appreciation at the banquet, when the seminar was officially closed. At this banquet talks were made by President Wells of Indiana University; Col. C. B. Robbins, manager and general counsel American Life Convention, who presented the certificates of attendance, and "Bo" McMillin, football coach of Indiana University.

Boston Agent in Address Comments on Defects in Present System

S. D. Weissman, agent of Equitable Society in Boston, spoke before the Boston C.L.U. and presented some observations that required a certain amount of fearlessness. His address was very provocative. Mr. Weissman is not a radical. He served as president of the Boston Life Underwriters Association in 1934 and he was president of the Boston C.L.U. for a couple of years. He was president of the Boston Life Insurance & Trust Council for a year. He is now treasurer and vice-president of the Massachusetts Life Underwriters Association. Mr. Weissman said that people are asking whether life insurance should be taken over by the government and whether the agency system is on its way out. He finds that there is an astonishing lack of frank discussion on these and related subjects. He does not believe that anything can be accomplished by silent treatment but they should be discussed face to face because they are now matters of public interest. Continuing, he said:

Should Face the Music

"Certainly we cannot solve our problems by avoiding controversial matters and many of our difficulties arise from the fact that we have been too smug and complacent about the institution of life insurance and have treated it like a sacred cow. These problems can no longer be whispered about in private or locked up in the closet like the family skeleton. They are now matters of public interest whether we like it or not.

"Let us make no mistake about it. We are in an era of realism in which institutions must justify themselves or perish, and in our democracy the justification of any institution lies in its usefulness to the American people. It is not important to society that an individual hold on to his job if his job serves no social purpose. Insofar as we in life insurance are concerned, if our institution is ready to be superseded like the horse and buggy, the temporary distress of those who will have been dislocated is of no more social importance than was that of the buggy manufacturers and horse traders. I think it can be easily demonstrated that instead of this being the case, the opposite is true and that our opportunity for service to society is as great as ever.

Agency System Not on Trial

"It has been conclusively shown that adequate life insurance will not sell itself without agents. Actually, the confusion brought about by the changes in our economic climate and the need for trained advisers have made the services of the underwriter indispensable. No, it is not the agency system which is on trial. What is on trial is the companies' administration of the agency system. It is an open scandal that the efforts of agents to make their occupation a worthy career have been continuously frustrated by the shortsighted policies of management. Now revolutionary changes are taking place within the whole structure of life insurance and the companies have largely lost the power to control the orderliness of these changes. In certain circles there is a tendency to picture the institution of life insurance as at war with government generally and the TNEC particularly, and to accuse of being a traitor any agent who criticizes the institution, on the ground that he is giving aid and comfort to the 'enemy.'

Needs Honest Self Examination

"This is a deplorable attitude and should be abandoned because life insurance cannot live in conflict with government and the ills of life insurance stem chiefly from the lack of honest self-ex-

amination. Too long has the field of criticism been left entirely to outsiders. Let those who would stifle criticism from the field be mindful that the career agent has as big a stake in the institution as the company president.

"There are some of us who definitely welcome the federal investigation. The sound elements in the structure of our institution can stand the light; the defects cannot have too much publicity. Raymond Moley would not be called a bosom friend of the TNEC. Yet in the 'Saturday Evening Post' of April 2, 1940 (Page 77) he writes:

"And the facts, as they have been disclosed in the hearings, justify confidence in the institution of life insurance as it is now conducted. True, there are defects which the companies and the states are correcting—a process unquestionably accelerated by the investigation."

Benefit from the Probe

"Obviously the investigation is already doing some good. I quote also from a letter sent out in February to 10,000 agents by Leon Henderson, of the TNEC, as reported in the New York 'Times' Feb. 10, 1940: 'I, for one, am convinced that the agency system of a life company, when properly managed, provides the backbone for the entire business. Both the legislative and administrative members of the committee have shown great interest in matters affecting the well-being of a life insur-

ance agent.' Certainly this is not an attack on the agency system, but it does postulate proper management. One could wish that management also would show 'great interest in matters affecting the well-being of a life insurance agent.'

Weaknesses of Agency System

"Let me enumerate the more important weaknesses of the agency system as it is at present administered: (1) Low average earnings; (2) insecurity in later years; (3) unfit agents; (4) huge turnover; (5) lack of public respect; (6) low morale.

"Obviously the lack of public respect and the huge turnover are largely due to the unfit agent, and the poor morale is related to the whole group. These defects are not new. They have existed for many years and there is no evidence that a sincere effort has ever been made to correct them. This dismal record is a sad commentary on management's utter lack of vision, because the companies depend on public good will and the agency force is still the most important factor in public relations. That these public relations are not satisfactory needs no emphasis here. Any of these weaknesses alone represents a cancer. Taken all together, they convict management of inexcusable failure in the administration of the agency system.

"Home office executives insist that

the problem is entirely one of selection, and that with proper selection all the ills will disappear. This is either lazy thinking or escapism. Selection implies the opportunity to exercise choice. Life insurance companies do not enjoy this position. The average calibre of available recruit material is notoriously inferior. With a residue of less than 15% still in the business at the end of three years and the average income of the so-called permanent group less than \$1,000 annually, what is there to induce good men to come in except misleading information? If the facts are honestly given to a prospective recruit, why should he come in? The situation is so rapidly deteriorating that general agents are more and more openly reduced to stealing agents from each other. No, the problem is not one of selection. It is time for executives to stop sticking their heads in the sand, something which even the ostrich does not do. The problem is one of attraction. Until the career of life underwriting is made respectable and remunerative, and limited to men and women who are fitted for it and potentially qualified to advise the public, the problem will not be solved. When the time comes that enough good men are attracted, then it will be possible to exercise selection.

Sees Sterility as Cause

"How did the situation get that way? How is it that an institution which has developed such high principles of trusteeship in the investment and administration of the public's money, and which has devised such idealistic methods in rendering service to beneficiaries should at the same time maintain such an unhealthy system of obtaining business that it undermines the institution itself? The unfortunate but inescapable conclusion is that despite its brilliant administration of other departments, in its operation of the agency system, management as been intellectually sterile and utterly devoid of imagination. Even in the face of 10 years of depression, declining public favor and the threat of government interference there is no evidence of real leadership in attacking the problem. For example, we have been treated to the enlightening spectacle of life company executives appearing before the social security board and arguing successfully against inclusion of agents on the ground that they are not employes but independent contractors.

Loyalty to Agency Force

"This is very conducive to morale building. Why are agents blissfully led to believe that they are employees and appealed to periodically to show loyalty in drives and other ways? Isn't it time for the companies to demonstrate a little loyalty toward the agency force? One-way loyalty is an insipid thing. Has there ever been a situation more incongruous than that in which the agent finds himself in connection with old age security? He represents an institution whose only reason for existence is to provide economic security to the public it serves. Yet, with few exceptions, this institution not only offers no company pension plan to the agent but goes out of its way to bar him from inclusion under Social Security which is now available to almost all American workers other than domestics and those on farms.

Home Office Position on Pensions

"Let us examine the home office arguments against a pension plan for agents: One is that the best security is that which is provided by the individual himself. This is silly, particularly when applied to men with an average income

(CONTINUED ON LAST PAGE)

Figures in Pre-Election Maneuvers



GRANT TAGGART



H. A. HEDGES

A movement has been started by some of the leaders in life insurance organization work in California to bring about the election of Grant Taggart of Cowley, Wyo., as secretary of the National Association of Life Underwriters. He is being put forth by this group as the representative of the far west for high national honors this year. Mr. Taggart is the famous representative of California-Western States Life who is consistently a million dollar producer in sparsely settled territory. He is most popular throughout the organization. He is a trustee of the National association and his term is expiring this year.

Mr. Taggart, it is reported, has been importuned by a number of the leaders in the organization to be a candidate for secretary, but he has been unwilling to go into any sort of a contest for the position. This creates an in-

teresting situation. The name of Herbert A. Hedges, general agent for Equitable Life of Iowa in Kansas City, has been mentioned in connection with the secretaryship, but Mr. Hedges states that he is not to be considered as an aspirant for the position. He states that if there were no contest and he was elected that he would serve. His term as trustee is expiring at this time.

Special interest is being taken in this situation, because the secretary may be the one chosen the following year for vice-president and then president. Both C. J. Zimmerman, who is now president, and Harry T. Wright, vice-president, served as secretary. Ray Hodges, who is now secretary, however, is not a candidate for higher office nor for reelection as secretary, a post he has filled with distinction, but he is willing to accept election as trustee.

Volunteer State's New Force Is Shown at Convention

Pace of Chattanooga Com- pany Under Cecil Woods' Command Is Accelerated

By H. J. BURRIDGE

CHATTANOOGA — A three-day "home coming" convention of the agency organization of the Volunteer State Life was held the first half of this week on the top of historic Lookout Mountain near the company's home city, Chattanooga. There were more than 100 present. Features were the inspiring address of C. C. Day, general agent of Pacific Mutual at Oklahoma City; the talk given by J. M. McCormack, Tennessee insurance commissioner, and the announcement of the Volunteer's new family policy to be issued on the 20 payment, endowment at 85 plan. It was the first general gathering of the agency forces since the new management assumed control of the company a little less than two years ago.

Volunteer State has had a sort of rebirth, so to speak, and the beneficial effects of it were visible at every session of this convention. Cecil Woods, who assumed the presidency when the new interests bought control, is experienced, young (only 40) and intensely practical. Formerly general agent of Bankers of Iowa at Nashville, and later head of the investment department of National Life & Accident, he understands both the field and home office problems of the business.

Home Office Associates

Mr. Woods has surrounded himself with a group of young and energetic home office associates. Early this year, A. Howard Blanton, for 16 years agency superintendent of Minnesota Mutual in the south, became agency vice-president of the Volunteer. He has made a number of desirable appointments. Production has been accelerated, and is going forward this year at the rate of \$15,000,000. A substantial gain in insurance in force for this year was predicted by Mr. Woods. Volunteer closed 1939 with more than \$101,000,000 in force and assets exceeding \$25,000,000. It operates in 11 southern states from Virginia to Texas.

J. H. Jarvis, Chattanooga, manager for southeastern Tennessee, pronounced the invocation that opened the convention. President Woods gave the address of welcome. He said the convention would be dedicated to the "Volunteer Veterans," those who have been with the company 10 years or longer, and to all of whom Mr. Woods presented framed certificates and service pins. At the head of this list stands H. M. Carter, general agent at Jackson, Miss., who has been with Volunteer during 36 of its 37 years of existence. The other Volunteer Veterans are J. M. Smith, Memphis, and J. H. Jarvis, Chattanooga, (32); C. G. Hall, Port Arthur, Tex. (25); C. A. Creagh, Abilene, Tex. (21); T. Turner, Edison, Ga. (20); J. A. McCaughy, Chattanooga, (20); G. W. Williams, Tampa, Fla. (20).

(CONTINUED ON LAST PAGE)



A. Howard Blanton

Death of Million Dollar Policyholder Recalls Sale of Coverage in 1925

NEW ORLEANS—A. D. Geoghegan, president Wesson Oil & Snowdrift Co., of New Orleans, who died following an operation, carried \$1,000,000 business life insurance. Mr. Geoghegan took out the insurance when the company was formed in 1925 through mergers.

The insurance was written by the late Robert Trabue, at that time a leading producer of the Mutual Life in New Orleans. Mr. Trabue and a number of other agents were after the business. Upon learning that Mr. Geoghegan had left for New York, Mr. Trabue caught the next train and put the sale over in New York. He told Mr. Geoghegan, who had thought of splitting the insurance up, that "there is no use for a busy man like yourself to be examined by so many doctors, let's go down to the home office of the Mutual Life and have it over with."

Mr. Geoghegan passed the medical examination with flying colors and was promptly insured for \$1,000,000, much to the disappointment of agents who were awaiting Mr. Geoghegan's return to New Orleans. It is understood Mr. Geoghegan also carried a substantial amount of personal life insurance. He was chairman of the board of the National Bank of Commerce of New Orleans and a director in many other corporations, including the Illinois Central Railroad.

Wagner to Go to Boston

R. F. Wagner, now manager for the Connecticut General Life in Wilmington, Del., goes to Boston Oct. 1 to become manager there. He is now connected with the Stuart Smith agency of Connecticut General in Philadelphia. Mr. Wagner has been successful both as a producer and agency builder.

C. L. U. Qualifiers in 1940 Examination Are Announced

The American College of Life Underwriters reports that 1,735 men and women presented themselves for the scheduled C.L.U. examination in June at 88 universities and colleges in 43 states and 340 cities and towns. They are associated with 88 different life companies. It is stated that 99.25 percent of the candidates undertook the examinations in instalments. Only .75 percent presented themselves for all of the five parts.

An encouraging feature of the results this year was an improvement in the passing ratio. The 1,735 candidates took a total of 2,864 examinations of which 62.3 percent were passed. It represents a better showing than in any one of the past three years. It is interesting to note that 931 candidates were awarded credit for all the examinations which they undertook and 307 others were given credit for passing one or more of the five examinations. As a result of this year's examinations, 1,845 have now completed the entire series of C.L.U. examinations and 2,746 others have credit for successful completion of some of the five parts. Those who have passed all the examinations will receive diplomas at the time of the National Life Underwriters Association meeting in Philadelphia, Sept. 26.

Metropolitan Life, which came very much to the front last year in point of number of representatives receiving the C. L. U. designation, again scored top honors in the examination this year. Twenty-four representatives of Metropolitan Life are on the list of those who have attained the distinction this year. Northwestern Mutual and Prudential are tied for second place with 14 representatives each. Then comes Massachusetts Mutual with 13. New York Life

has eight, Equitable Society, Aetna Life and Travelers, seven each; Penn Mutual and Mutual Life, six each; Connecticut Mutual, five; State Mutual, four; Provident Mutual, Mutual Benefit and Great-West Life, three each; Union Central, Connecticut General, Reliance Life, New England Mutual, Home Life, John Hancock and Phoenix Mutual, two each.

Each of the following companies had one representative qualify for the designation: Continental American, Equitable of Iowa, National Life & Accident, American United, Massachusetts Protective, Acacia Mutual, Midland Mutual, National of Vermont, Fidelity Mutual, Fidelity Union, Southwestern Life, Jefferson Standard Life and Columbian National.

There were two members of the Research Bureau staff on the list; four persons connected with colleges or universities and one unclassified.

The full list of successful candidates in the June examination this year follows:

A

D. B. Adler, general agent Penn Mutual Life, New York City; Paul Alpern, Metropolitan Life, New York City; C. J. Amstutz, district agent Equitable of Iowa, Youngstown, O.; F. P. Anderson, supervisor Equitable Society, New York; J. D. Anderson, district manager, National Life & Accident, Pittsburgh; John Andriano, Jr., New York Life, Seattle.

B

H. W. Baird, assistant manager, Northwestern Mutual, Brooklyn; Mary C. Baker, Connecticut General, Hartford; C. S. Beck, Northwestern Mutual, Toledo, O.; Dumont Beerbower, district manager Reliance Life, Washington, D. C.; E. M. Belkin, Prudential, Newark; Nathan Bickman, Metropolitan Life, New York City; E. L. Binkley, Jr., assistant manager, Metropolitan Life, Nashville; Stanford Bissell, field assistant Home Life, New York City; A. L. Boeck, director school of business Texas Christian University, Fort Worth; E. N. Botten, assistant manager Prudential, Everett, Wash.; L. L. Boyer, Jr., Massachusetts Mutual, Detroit; R. B. Brown, assistant to general agent Mutual Benefit Life, Columbus, O.

C

T. A. Card, agency supervisor Acacia Mutual Life, Cleveland; John G. Castle, State Mutual, Buffalo; R. E. Clark, general agent National Life of Vermont, Springfield, Mass.; H. E. Clarke, Metropolitan Life, Chicago; H. M. Clay, general agent Mutual Benefit, Richmond, Va.; W. G. Clayton, supervisor Aetna Life, Amarillo, Tex.; J. A. Close, Webster College for Girls, Babson Park, Fla.; L. L. Cluster, agency organizer New York Life, Philadelphia; George Cohen, Prudential, Hackensack, N. J.; W. F. Colcock, vice-president Travelers agency, New Orleans; J. M. Collins, Fidelity Union Life, Dallas; S. C. Collins, Metropolitan Life, Buffalo; W. B. Connett, agency vice-president Prudential, New York City; W. F. Cooper, assistant branch manager Southwestern Life, Fort Worth; H. C. Coutret, district manager Jefferson Standard, Corpus Christi, Tex.

D

E. C. Danford, agency organizer Mutual Life, Columbus, O.; W. D. Davidson, Equitable Society, Chicago; F. W. Dedman, agency organizer New York Life, Newark; P. E. Demeter, Northwestern Mutual, Albuquerque; W. E. Dittoe, John Hancock, Columbus, O.; L. F. Donnelly, supervisor, Metropolitan Life, Brooklyn.

E

Carl W. Eagle, agency secretary Aetna Life, Denver; C. W. Earnshaw, Prudential, Newark; R. L. Emerson, Phoenix Mutual, Boston; H. G. Engelhardt, assistant district manager Metropolitan, Baton Rouge; Worth English, Metropolitan, Oakland, Cal.; E. W. Enman, superintendent Prudential, Roslindale, Mass.

F

D. H. Fibush, assistant superintendent Prudential, San Francisco; Z. W. Finberg, Great-West Life, St. Paul; H. M. Floyd, Metropolitan, Oakland, Cal.; K. C. Foster, Prudential, Newark; H. L. Fox,

(CONTINUED ON PAGE 16)

Intuitive Prospecting

In the Penn Mutual's training course, "Organized Life Insurance Selling," is the following description of intuitive prospecting:—

This method of getting prospects depends on the senses, all six of them, from sight and sound to commonsense—interpreting what you see and hear each day in terms of life insurance by using your head. Four instances make clear this method:—

1. If you saw a delivery van unload a baby carriage in front of the home around the corner from where you live, would it mean anything to you?
2. If, on the way from the train to your office in the morning, you overheard one man say to another, "I've just moved my office to the new Blank Building, the old place got too small," might it mean anything to you?
3. If the man in the next office sells his Ford and buys a LaSalle, would it mean anything to you?
4. Suppose you heard of a man or woman who has just received a promotion, profit, or a substantial legacy, would that have any business significance to you?

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Wisconsin National Agency Meeting Held in Its Home City

Many Live Subjects Were Discussed by Home Office and Field Men

By H. J. BURRIDGE

A three-day roundup of the production forces of the Wisconsin National Life of Oshkosh was held last week. On the first day there was a meeting of the supervisors with headquarters in the five states in which the company operates. The agency convention occupied all of the second day, and the third day was devoted to the annual picnic at Wau-shara, 36 miles from Oshkosh on Silver Lake. There were nearly 150 at the conference and 250, including all of the home office employees, at the picnic. Until last year, the company did not hold business conferences, staging instead a one day picnic. Last year's agency session was so successful, however, that it was decided to repeat again this year. The policy of the company from now on will be to hold annual agency business sessions as well as a picnic.

Gains Are Reported

Vice-president and Agency Manager Alfred James announced that as of July 31 the company had a gain of insurance in force of over \$100,000 more than was recorded for all of 1939, and G. A. L'Estrange, manager of the accident and health department, announced that accident and health premiums are more than \$13,000 ahead of the same period last year. The company is thus having its best year since 1929. It is writing life business at the rate of nearly \$5,000,000 a year and will close 1940 with almost \$41,000,000 in force. As it concentrates its activities in Wisconsin, Minnesota, Michigan, Indiana and Illinois, the Wisconsin National Life is not known country-wide, but those who are statistically minded can immediately detect its financial strength by glancing at the figures. Its assets are approaching the \$10,000,000 mark and it has capital of \$400,000, surplus of nearly \$600,000 and contingency reserve of \$375,000. It has pursued a safe, conservative course, with the result that it stands in a solid and secure position today.

Management Continuous

Of special interest is the fact that the chief officers have been guiding its affairs since it was organized in 1908. General C. R. Boardman, its president, is still actively on the job, going to his office each day and attending to his regular duties, although he is over 80. The same is true of Vice-president and General Counsel H. I. Weed, who is one year younger than Mr. Boardman. Vice-president and Agency Manager Alfred James went with the Wisconsin National Life 18 months after it began operations and is still the active head of its agency department.

The business sessions which were held in the American Legion Club on the shores of Lake Winnebago, began on a patriotic note with a presentation of the American flag by legion color bearers. G. E. Harthun, agency assistant, presided at the initial session. Mr. James presented greetings from the home office. Actuary A. C. Eastlack discussed selection methods, with particular reference to what the agent can do to help the home office. He said that an agent

(CONTINUED ON PAGE 8)

Some Subjects Attracting Interest of Life People

Company executives undoubtedly are mulling over in their own minds the question of war clause, deciding probably to rock along for the time being and await developments. At the time of the meeting of the National Association of Insurance Commissioners there seemed to be a decided tendency to have a clause decided upon as soon as possible. Shortly after that there was a change in opinion. The insurance commissioners have been waiting for companies to act and desire as much uniformity as possible. Seemingly one of the influences that had weight was the knowledge that if a war clause was put in policies, the agents would be greatly handicapped in securing applications from young men of military age. They would immediately state that they would rely on government insurance if they had to go to war. Companies probably began to feel that war was not so near at hand as might have been anticipated at one time.

However, recently from Washington there have emanated rather fear provoking statements indicating that the administration possesses knowledge that it is not giving the public. If companies become convinced that the danger of war is again in evidence, and there is a probability of the United States being involved, it will be necessary to initiate a war clause at once.

Undoubtedly the executives are awaiting the outcome of the conflict between Germany and Great Britain. That is the crux of the situation and the charting of future course will depend on which side prevails.

Regardless of the fact that companies may not have taken definite action undoubtedly all are scrutinizing applications from young men of military age where they are very likely to be called out if war does come. Most companies are limiting the amount of their insurance on aliens or not taking them at all. Some have established restrictions on members of the national guard and reservists.

One of the features that undoubtedly has an effect on executive mind is the probability of young men getting into aviation service even though the country is not in war. The training camps are enticing a number of young men who desire to become aviators. If the draft

measure succeeds many young fellows, even though they may not have any special liking for aviation may be thrust into aviation training camps. These possibilities are being considered in the underwriting end of a company.

The possibility of many more young men getting into aviation because of the war situation is revealed by the Continental Casualty in putting out a special aviation accident policy covering a holder regardless of how or where he is injured. Accident companies for the most part now limit aviation liability to passengers on an airplane traversing a regular course where fares are collected. Outside of this but few accident contracts would cover aviation accidents. The likelihood of young men being called in the draft camps and being obliged to go through a course of training therefore brings up the question of accidents. Therefore, the Continental Casualty, in getting out this policy, pays \$3,000 for death benefits, \$500 for hospitalization, the cost being \$20 a year. This would cover the holder under any aviation accident. The Continental Casualty undoubtedly sees a fertile field for these policies.

A number of executives are counting the cost of writing small policies up to \$2,500. The expense of the acquisition cost and putting these policies through the books exhausts the loading and companies find there is no profit in them. Yet there is a demand for such policies among people who cannot afford to carry any but small amounts. A company does not desire to shut off or discourage the writing of small policies because agents in many localities find that such buyers are their chief customers. There has been some talk among stock companies that have participating departments of writing such policies only on participating forms, thus allocating the expense accordingly. It would mean that dividends on such policies would be less comparatively than on the larger policies. A few companies have issued higher rated forms, ordinary life and 20-life, for small policies making them endowments at age 85 and charging \$1 or more per thousand for them. This has served its purpose and it works successfully with companies that have adopted this plan.

AT VOLUNTEER STATE MEETING



CECIL WOODS, President



R. F. EVANS, Vice-president

At the agency conference of the Volunteer State Life on Lookout Mountain this week, President Cecil Woods and Vice-president Robert F. Evans

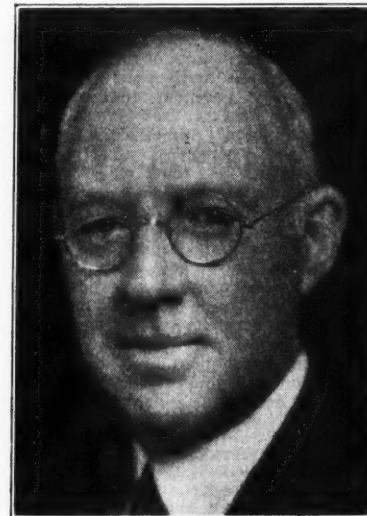
took an active part in the proceedings. They are largely responsible for the rehabilitation and onward march of the company.

Home Office Men Announce Plans for Underwriters Parley

Feature War Review and Talks by Best and Cragin

A resume of problems facing life companies as a result of unsettled world conditions by W. O. Menge, associate actuary Lincoln National Life, and talks by two guests, A. M. Best, president A. M. Best Company, and Dr. D. B. Cragin, medical director Aetna Life, will feature the annual meeting of the Institute of Home Office Underwriters in Chattanooga, Tenn., Sept. 5-7.

Separate clinics for ordinary and in-



DR. D. B. CRAGIN

dustrial men will be held Friday and Saturday mornings, President John L. Briggs, Southland Life, announces. The complete program follows:

THURSDAY, SEPT. 5, MORNING

General Chairman, W. E. Jones, Provident Life & Accident, vice-president.

Welcome, Dr. C. R. Henry, medical director Provident Life & Accident.

Annual Report of President, John L. Briggs, assistant secretary Southland Life.

Reports—Membership, W. K. Fritz, Lamar Life; secretary-treasurer, D. B. Alport, assistant secretary Business Men's Assurance; educational, W. H. Harrison, actuary Ohio National Life.

"Life Insurance and the War," W. O. Menge, associate actuary Lincoln National Life.

Afternoon Session

Chairman, C. F. Barney, manager underwriting American United Life.

"The Shifting Importance of Operating Factors," A. M. Best, president A. M. Best Company.

"A Method of Underwriting Cases Showing Glycosuria," Dr. D. B. Cragin, medical director, Aetna Life.

FRIDAY, SEPT. 6, MORNING

Ordinary Case Clinic, co-chairmen, R. A. Burke, assistant secretary North American Reassurance; W. O. Menge, associate actuary Lincoln National Life.

Industrial Case Clinic, chairman, A. A. Biggio, general manager industrial department, Liberty National Life.

Afternoon Session

Chairman, E. W. Beresford, Old Line Life.

J. E. Van Arsdell, underwriting supervisor Southwestern Life, "The Southern Pine Newspaper Industry."

(CONTINUED ON PAGE 8)



Something you don't have to pay for

YOUR LIFE INSURANCE POLICY is a contract between the Company and you. The Company wishes not only to fulfill the terms of that contract, but to perform every reasonable service that may increase your policy's value to you and your family.

As evidence of this, you will find a "Notice to Policyholder" printed plainly on the back of most Metropolitan policies. If you will read this notice, you will find that it is not necessary to employ any person to collect the insurance payable under your Metropolitan policy, to obtain any information about your policy, or to secure any of the benefits which that policy provides. The Company wishes to pay every proper claim without delay.

All that is necessary is to get in touch with your Metropolitan agent, or with the manager of your District Office. If this is not convenient, write directly to the Home Office in New York City, or to the Pacific Coast Head Office in San Francisco.

Whenever you have a question about your policy, it is advisable to consult your Metropolitan agent first. It is his responsibility to help you solve your insurance problems, and to serve you efficiently, sympathetically, and intelligently... and *without additional charge* of any kind.

Following are a few of the many instances in which your Agent's help is available for the asking.

Settlement of Death Claims or other Benefits.

Except for notary fees, there is no need for a beneficiary to pay a fee for preparation of claim papers or the papers necessary for other benefits. Your Metropolitan Agent will give you any assistance that

may be necessary in preparing and filing such papers, and will help to arrange for prompt payment of the claim.

Analyzing or checking your insurance program.

Your Metropolitan Agent will co-operate with you in seeing that your insurance fulfills the purpose for which you bought it. If there have been any changes in your economic status, or in your family obligations, your Agent will help you work out a plan to make your insurance program cover them.

Explaining Retroactive Benefits on Liberalized Policies.

Metropolitan, in common with other companies, has made liberalizing improvements through the years, particularly in Industrial policies. Each improvement has been of advantage to the policyholder. Wherever possible, these additional benefits have been made retroactive, so that if you own an old policy, you may be entitled to certain benefits which this old policy does not contain in writing.

If you have an old policy on which you no longer pay premiums, you may wonder if it has any value. Such old policies often do have value. And, through voluntary action by the Company, many Weekly Premium policies have become eligible for cash surrender value if premiums on them were paid for at least three years, even though the policy terms require a longer premium-paying period.

Of course, nothing in this advertisement is intended to suggest that either you or your beneficiaries should refrain from consulting a trusted family advisor, or a competent and reputable attorney-at-

law in case you, or your beneficiaries, feel the need of doing so.

One thing more. Even though you may have read your life insurance policy thoroughly, do so again... at once. Read it from beginning to end. Be certain that both you and your beneficiaries are familiar with its provisions. If there is anything that you, or they, do not understand, your Company's agent will be glad to explain—or, if you prefer, communicate with the Home office.

COPYRIGHT 1940—METROPOLITAN LIFE INSURANCE CO.

This is Number 28 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements in this series will be mailed upon request.

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT

1 MADISON AVENUE, NEW YORK, N. Y.



Plan to visit the Metropolitan's exhibits at the New York World's Fair and at the Golden Gate International Exposition in San Francisco.

THIS IS THE TWENTY-EIGHTH in Metropolitan's series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. It appears in: Collier's, Aug. 3; Saturday Evening Post, Aug. 3;

Business Week, Aug. 3; Time, Aug. 5; American Weekly, Aug. 4; This Week, Aug. 11; Forbes, Aug. 1; United States News, Aug. 2; Cosmopolitan, Sept.; Nation's Business, Aug.; Fortune, Aug.; Newsweek, Aug. 5; American Mercury, Aug.

O. J. Arnold's Views of Influences on Life Insurance

Declares That Policy- holders Should Be Advised of the Situation

Dawning realization by the American people that their national security demands personal sacrifice and the fullest use of all resources of self-reliance, initiative and enterprise is bringing with it a greater appreciation of the work of the life insurance salesman, O. J. Arnold, president of Northwestern National Life, declared in a message to its agents.

"Our job—and a thankless one it has seemed at times—has been to demonstrate that the only way a man can achieve true financial security for himself and his family is by realistically facing the prospect of possible future calamity, and then preparing against it," Mr. Arnold said. "The purchase of life insurance involves denying one's self present satisfactions in order to guarantee that future needs will be met. In recent years the life insurance salesman's voice has been almost the only one lifted in defense of the old-fashioned way of life, based on thrift and self-denial, as against the prevailing philosophy of living only for today and letting the future take care of itself.

Decries Lavish Spending

"While the life companies have been selling their customers on the idea of making their own forehanded provision against the future, visionary politicians and social welfare 'experts' have been busily selling the public a quite different idea—that progress can be achieved through lavish governmental spending of public funds to keep the present generation comfortable without regard for moral values or for the size of the bill that must some day be paid.

"On the other hand, the fact that Americans use life insurance to a far greater extent than the people of any other country is proof that a goodly percentage of our people still believe in individual responsibility. Our 64,000,000 policyholders owning 113 billions of life insurance attest to the effectiveness of the job we have done.

Should Be Frank with Patrons

"But I wonder whether we have made the public generally—and even our policyholders—fully aware of certain unpleasant but vitally important facts they should know. Do they realize that over the past decade the reduction in the rate of interest earned on all life insurance investments has been nearly one-third? Have we done all we should do to inform them that these lowered interest rates, accompanied by rising operating expenses, including taxes, inevitably mean lower dividends and hence higher insurance costs? Have the companies, to put it even more bluntly, been somewhat less than forthright in recognizing and giving effect to these factors in their dividends and premium rate structures? Speaking for Northwestern National, I may say that we have tried vigorously to avoid deceiving ourselves or our policyholders about this matter of cost and have not hesitated to act promptly when, in the judgment of the management, an increase in cost has been called for to avoid any possibility of a compromise with security."

A vigorous, realistic attack by the life companies upon the important problems which the last few years have sharply intensified is the only course to follow

if the business is to capitalize on the high degree of public confidence it now enjoys, Mr. Arnold said. He referred to Northwestern National's new basis of agents' compensation which pays the agent renewal commissions at an increasing rate as he improves the persistency of his business. He cited this sharp modification of the traditional basis of paying life agents as an example of vigorous action, based on realistic analysis of changing conditions, and said that only by courageous, head-on attack can business and government successfully cope with the multitude of challenging problems crowding in upon them.

Blackall Gives Companies His View on War Clause

Commissioner Blackall of Connecticut who is president the National Association of Insurance Commissioners, has sent to all life companies licensed in the state his statement as to war clauses. It reads:

"It is the sense of this department that in connection with war rider clauses in life policies, companies should be entitled to use a reasonable war rider clause covering actual or imminent hostilities. But it is also felt that if the war clause has no limitation on the time for its operation the advisability of eliminating clauses from existing policies after the termination of hostilities and peace is signed should be then a matter for further departmental consideration.

MINNESOTA POSITION

ST. PAUL.—The Minnesota department is following a pretty well defined policy on war risk riders. It is generally approving riders providing for limited payments in case of death in service or within six months of the termination of service. It is also accepting policies with a war risk rider that provides for full payment in case the premium has been increased to offset the additional risk. Aviation riders are generally being disapproved.

Youngest Salaried Secretary Has Now Assumed Office

Miss Ann Brooks, the new executive secretary of the Qualified Life Underwriters of Detroit, the local life underwriters association there, is the second woman to fill a position of that character. Miss Joy M. Luidens, the efficient executive secretary of the Chicago Life Underwriters Association, has been the only woman occupying that important position at least among the larger bodies. Chicago has the largest membership of any life underwriters association.

Miss Brooks is regarded very highly. She graduated from high school last January. She at least becomes the youngest executive secretary. During the spring she became secretary to the principal of a grammar school. She started work with the Detroit association June 26. She has a grandfather, two uncles, her father and mother in the insurance business.

As Detroit is seeking the 1941 convention of the National Life Underwriters Association Miss Brooks is busily engaged in promoting that project.

E. S. Ashbrook, president of the North American Life of Chicago, has adopted a new system as to his personal vacations. He does not take two, three or four weeks off but instead he attends all the games played by the Chicago Cubs while they are at home. He goes to the exhibition games, preseason games when the Cubs play the White Sox in Chicago and if there are any post season games in Chicago he attends them. He has not missed a game with the Cubs at home for the last couple of years. He is an ardent Cub fan, knows all the ins and outs of the players. He buys his tickets for the entire season and occupies the same seat.

QUIZ AD No. 5

QUERY: What life insurance company has increased its insurance in force every year since organization?

COMMENT: Many companies have increased assets regularly. Some have made steady increases in surplus. But very few have increased insurance in force each and every year of operation. A liberal agent's contract, a hard-hitting agency department, a modern line of policy forms . . . these are factors that enable Continental Assurance to enjoy this enviable distinction.

Continental
ASSURANCE COMPANY

CHICAGO, ILLINOIS

Affiliated with

**CONTINENTAL CASUALTY COMPANY
TRANSPORTATION INSURANCE COMPANY**

Tentative Program of N. F. C. Meeting

Five Commissioners, Several Organization Spokesmen to Speak at Baltimore

Five insurance commissioners and a number of organization representatives, as well as Governor O'Connor of Maryland will extend greetings to the National Fraternal Congress at its annual meeting to be held in the Lord Baltimore hotel, Baltimore, Md., Aug. 25-30. The commissioners who have accepted invitations to speak are Pink of New York, Swain of Delaware, Taggart of Pennsylvania, Gontrum of Maryland and Blackall of Connecticut, the latter president National Association of Insurance Commissioners, who will extend greetings from that body and also give one of the main addresses on the program.

Others who will greet the fraternalists will be Col. C. B. Robbins, manager and general counsel American Life Convention; V. P. Whitsitt, manager and general counsel Association of Life Insurance Presidents; H. J. Johnson, president Institute of Life Insurance; Dr. B. F. Black, president Canadian Fraternal Association, and Mrs. Lola Coles, president Maryland-D. C. State Congress.

Activities to Start Sunday

According to the tentative program announced this week by Foster F. Farrell, secretary-treasurer and manager, the executive committee will meet Sunday afternoon, Aug. 25. Monday the Fraternal Field Managers Association will hold an all-day session devoted to discussion of field problems and recruiting and training representatives. Tuesday will be devoted to the annual meetings of the various sections, including the presidents, secretaries, press, state congresses, law and medical, and also the meeting of the Fraternal Actuarial Association.

The congress proper will convene at 9:30 a. m., Wednesday, Aug. 28, with Frances D. Partridge, secretary Woman's Benefit, the N.F.C. president, in the chair. Mayor Jackson of Baltimore will extend greetings from that city. Alex O. Benz, N.F.C. vice-president, president Aid Association for Lutherans, Appleton, Wis., will respond to the greetings after which Miss Partridge will give her annual report and other reports and addresses will be presented. In the afternoon, Avery McBee, public relations director Glenn L. Martin Company, Baltimore, will speak on public relations.

Banquet Wednesday Night

The annual banquet will be held that evening with a short interesting program which Miss Partridge has arranged, followed by dancing.

Charles McCormick of McCormick & Co., Baltimore, will talk on "Multiple Management" in the general session Thursday morning and C. J. Zimmerman, Chicago general agent Connecticut Mutual Life, president National Association of Life Underwriters, will give an address.

Election of new officers will be held Thursday morning. It is likely that Mr. Benz will be elevated to president. In the afternoon, there will be a boat trip on Chesapeake Bay and to Annapolis where the fraternalists will be the guests of Rear Admiral Wilson Brown, superintendent of the naval academy. The party will inspect both the academy and the city and dinner will be served in the historic Carvel Hall, with return to Baltimore by moonlight.

Install New Officers Thursday

In past years many delegates have left before the final day's session. This year, President Partridge has arranged for an interesting program in addition to

All Star Club of Lamar Life Meets

The annual meeting of the All Star Club of the Lamar Life was held in Colorado Springs. The theme of the convention program, which was under the general direction of W. D. Owens, vice-president and secretary, was "The Agent Analyzes His Job." The program was devoted to discussions of the different phases of an underwriter's job and to the selling plan of the Lamar Life.

P. K. Lutken, president, spoke on "What's Behind Your Contract," emphasizing the financial stability of the company and its continued progress. Leading representatives of the company and members of the home office staff took part in the program. Fundamentals necessary to the success of every life insurance man were discussed, with special plans such as salary savings and mortgage cancellation insurance being treated at one session.

One day was devoted to a sightseeing tour, beginning at Colorado Springs, continuing through Cheyenne Mountain, the Will Rogers Shrine of the Sun, the Garden of the Gods, and ending with a trip to Pike's Peak.

Guest speakers were Commissioner Macdonald of Wyoming on "The American Agency System," and Vernon L. Thompson, vice-president and agency manager Midwest Life, Lincoln, Neb., on "The Philosophy of Objectives."

At this final session, Mr. Owens spoke on "What's Ahead for the Life Underwriter," and President Lutken made awards for the 1940 contest year.

Officers of the All Star Club are: President, W. C. Buckley; first vice-president, W. E. Watts; second vice-president, H. W. Gober; third vice-president, Jack Foster.

Winners of Welty Conservation Medals: Gold medal, W. S. Hunt; silver medal, W. C. Buckley; bronze medal, W. B. Hunter. The President's Trophy, a watch, was presented to W. W. Brunson for outstanding work during anniversary month in April.

the installation of officers and the usual reports.

The presidents' section meeting Tuesday with O. E. Aleshire, president Modern Woodmen, section president in the chair, will consist of two addresses in the morning and a round table discussion of persistency of business and related matters in a joint meeting with the Field Managers Association in the afternoon. There will be a report of the special committee on the subject.

The morning program with the theme "Knowledge is Power," will consist of talks on "Fraternalism, Risk Selection and Commercial Reports," by Edward King, Hooper-Holmes Bureau, and "Some Observations on Fraternalism by a Friend," by Dale R. Schilling, fraternal editor THE NATIONAL UNDERWRITER.

Program of Press Section

The tentative program for the press section meeting Tuesday announced by Mary Baird, Woman's Benefit, the secretary, includes four addresses. James H. Austin of S. B. Warren & Co., will talk on "Paper—The Kinds and Uses;" Milton Anderson, of American Type Founders, on "Making a Picture with Type;" Mr. Knecht of Charles Eneu Johnson & Co., on "Ink and Its Uses," and Thomas Carroll, of the Carroll Press, on "Putting Them Together." There also will be discussions of printing presses and photo-engraving. The press section program will open at an 8 o'clock breakfast as is customary. Other programs are in the making and will be announced soon.

Honoring H. J. Fett

In recognition of H. J. Fett's 32nd anniversary with the Mutual Life of New York, the Newark agency, which he heads, has set aside August as "Fett Month" under the supervision of H. L. Gundersdorff, agency organizer.

INDIVIDUAL DEFENSE, TOO

National defense is easier for a nation whose people have individual economic security.

Life Insurance, therefore, looms large in the national defense picture, because sixty-odd million people in this country and Canada own Life Insurance as a defense against economic uncertainty in the future.

More than three million of these policies, aggregating almost three quarters of a billion dollars of Life Insurance are in force with this Company.

The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**

C. A. CRAIG, Chairman of the Board C. R. CLEMENTS, President
HOME OFFICE NATIONAL BLDG.
NASHVILLE TENNESSEE

Wisconsin National Agency Rally Held

(CONTINUED FROM PAGE 4)

can secure much helpful data, including that which may be unfavorable. Mr. Eastlack said that the submission of unfavorable data need not necessarily militate against the issuance of a policy, but that it was better to get such information from the agent direct than from the inspection report. In every instance the agent should submit complete data regarding the applicant's finances, insurance needs, occupation, morals, family history and health.

Various Subjects Discussed

B. P. Mini, Peru, Ill., discussed the company's modified life contract and the prospects for whom it is best suited. C. H. Blanchard of Oshkosh and K. C. Bergen of Madison gave a sales demonstration entitled "Pure Protection Safeguards Property Deeds." G. E. Kildsig discussed life insurance needs, having as his topic, "What, How and Why." M. S. Kirkpatrick, Grand Rapids, superintendent of agencies for Michigan, discussed business and partnership cases, particularly the small ones. He predicted that if corporation taxes continue to increase, many corporations will become partnerships, thus opening up new opportunities for the writing of partnership business. J. L. Clark of the home office staff and W. M. Wegner of Fond du Lac gave a sales demonstration on "Streamlining the Optional Life Income." A. G. Walters gave what he regards as the essentials for success. Field supervisor for Michigan A. G. Hambaum talked on "Working Together," and the first morning session was closed by Howard J. Burrige of THE NATIONAL UNDERWRITER.

L'Estrange in Charge

G. A. L'Estrange, manager of the accident and health department, was in charge of the second business session which was opened with a talk by W. Dell Curtis of Wausau, who recently completed 25 years with the company and was unusually honored at a dinner in Wausau attended by the leading business and professional men of the city. Mr. Curtis reviewed his quarter of a century with the company and discussed the growth that the Wisconsin National has had during that period.

N. L. Gaddis of Marseilles, Ill., told of his time control methods. He has been averaging one application every other day, and attributes his ability to get applications regularly to his prospecting methods. He makes it a point to see three new prospects every day, and has worked out the plan of calling on business men during the noon hour finding that they are always in their offices at that time and usually in a more receptive mood. R. N. Sine, field supervisor at Indianapolis, told of the success he has had in obtaining new agents among those who had previously written only casualty and fire lines. He has been conducting a mail campaign among agents of this type and has attracted many to the Wisconsin National.

Other Speakers Heard

Paul Kranz, Hastings, Minn., whose subject was "My Future Program," said that self management determines the success of an agent, and that the agent's most important job consists in disciplining himself. O. A. Lichtenberger, assistant treasurer, told of the various ways in which the company cooperates with the men in the field. L. N. Ressler, supervisor at Galesburg, Ill., gave several instances of how the company's combination life, accident and health policy covers the typical American family. Elmer Clark, Oshkosh, told in a humorous way the value of a training course that he had recently taken, and the business sessions in their entirety were summed up by Secretary-Treasurer R. E. Martin, who in addition to the other chief officers, has been with the

Connecticut Mutual Paid Honor in July to Fraser



PETER M. FRASER

Seventy of the Connecticut Mutual's 71 agencies recorded increases in production for July, as compared with the same month last year, in a special production effort in honor of Vice-president P. M. Fraser who completed his tenth anniversary as a member of the home office staff on July 1. This is the largest number of "plus" agencies the company has ever had in any single month.

July production was \$10,549,023, gain of \$4,408,978, or 71.8 percent over July last year. Paid-for business for seven months is \$59,144,977, as compared with \$55,895,823 the same time last year. 3,065 applications were written during July, to exceed the 2,603 written in July of the peak year 1929. The volume during this month came within \$758,000 of the 1929 figure.

Since coming to the home office Mr. Fraser has played a prominent role in the progress and growth which the company has had during the past 10 years. He has encouraged the expansion of representation into new and fertile territory, and has directed the building up of the city loan department, a factor which has been highly important in holding up the average net interest earnings.

Wisconsin National from its inception. Other unscheduled and impromptu talks were made by: E. L. Pollard and G. H. Anderson, Battle Creek, Mich.; G. H. Wilkinson, Muskegon, Mich.; L. K. Hendrick, Lansing, Mich.; E. R. Phillips, Grand Rapids, Mich.; S. G. Hall, Kokomo, Ind., and W. H. Sanford, Springfield, Ill.

In the evening there was a banquet, at which the entertainment feature was Mary Lou King's dance review. The twin daughters of Agency Assistant G. E. Harthun, Betty June and Shirley Mae, scored a special hit with their mirror dance.

Home Office Men Announce Plans for Underwriters Parley

(CONTINUED FROM PAGE 4)

W. H. Harrison, actuary Ohio National, "What Studies and Surveys Can Be Made to Check Our Underwriting."

R. K. Dunn, chief underwriter, Colorado Life, "Practice and Procedure in Underwriting for Use of Liquor."

H. F. Longino, southern manager Retail Credit Company, "Law Enforcement Officers in the Southern States."

G. M. Stanley, chief underwriter Guarantee Mutual Life, "The Practice and Procedure in Underwriting for Probable Persistency."

Reports of auditing, resolutions and nominating committees.

Election of officers.

Evening

Host companies' cocktail party. Annual banquet and dance, toast-

master, M. M. Blair, assistant secretary Atlantic Life.

SATURDAY, SEPT. 7, MORNING

Continuation of Ordinary Case Clinic Session, same co-chairmen.

Industrial Formal Papers and Discussion, chairman, Chris Hamlet, assistant secretary Home Security Life.

Papers will be announced later.

Closing Joint Business Session.

Report of resolutions committee.

Announcements and close by new president.

Organizes Inspection Service

MINNEAPOLIS — Arthur Nordstrom, former Minnesota deputy insurance commissioner, has organized the Northwest Underwriters Bureau, to provide confidential reports on insurance applicants. Mr. Nordstrom is president; T. E. Murphy, vice-president, and M. N. Nordstrom, secretary-treasurer. Offices will be opened in the Midway building Aug. 15.

Pacific Mutual Appointment for District of Columbia

R. A. DuFour has been appointed general agent in Washington, D. C., by Pacific Mutual Life. He is vice-president of the Life Underwriters Association of the District of Columbia and is one of the founders of the Life Insurance Trust Council.

Mr. DuFour has degrees from Columbia and Georgetown University and is a member of the bar. He studied in the business administration department of Catholic University, majoring in accounting and economics.

Bland Addresses Curry Agency

Frank W. Bland, Pacific Coast business manager of THE NATIONAL UNDERWRITER, spoke at a meeting of the Forrest J. Curry agency of the Penn Mutual Life in San Francisco Monday.



Think of His Children When You Face Your Prospect

One of the factors that enters into the sale of adequate life insurance is the agent's conviction that it is urgently needed.

Keeping clearly in mind the dependence of little children on their father's earnings gives life to the sales effort.

It helps too to have a suitable definite plan in mind such as our Family Maintenance and Family Income plans which provide at low cost additional protection during the crucial dependency period.

For description of these plans, call our local office.

Connecticut General Life Insurance Company

Hartford, Conn.

Every Day Is Flag Day on Jefferson Standard Building at Greensboro

GREENSBORO, N. C.—Every day is to be "Flag Day" now atop the largest building in Greensboro, N. C.

"I think it is time that all Americans make every day a 'flag day,'" stated Julian Price, president of the Jefferson



JULIAN PRICE

Standard Life. And suiting the action to the words, President Price promptly raised the American flags on the poles atop the Jefferson Standard building. "I mean for them to stay there during the proper times each day, not for just a day, a month, but from now on."

The daily "Flag Day" idea was born in President Price's mind when he was reading a magazine and ran across the phrase "it's smart to be patriotic." The article was supplemented by pictures and explanations showing how some of the people of the United States are expressing patriotism, with "Old Glory" taking the predominant part in the illustrations.

"All that is very good, I guess," thought President Price, but he preferred to think of an expression of patriotism as being something besides "smart."

So, from now on, the people who pass the Jefferson Standard building will see displayed "Old Glory" and the things it stands for—personal liberty, political freedom from tyranny, and a proper respect for the just rights of the individual and of the home.

As a suggestion to the people, Mr. Price says "Let's count our blessings, forget petty bickerings, fight always for the traditional things 'Old Glory' represents, and display our convictions about these things."

Passes \$200,000,000 Mark

Assets of the Equitable Life of Iowa have passed the \$200,000,000 mark. They have doubled in the past 10 years, the 1930 figure having been but slightly in excess of \$100,000,000. New business in July totalled \$3,809,649, gain 26.7 percent over July, 1939, and increasing the gain for the year to \$1,229,000 or 4.4 percent. July marked the sixth consecutive monthly gain.

C. A. Nolte, manager at Detroit for the ordinary department of American National, was the guest speaker before the Northwest Exchange Club, on "Does the World Owe You a Living?"

G. K. Putnam, who retired in January after 19 years as assistant secretary of National Life of Vermont and 43 years with the company, died in Heaton hospital, Montpelier, after an illness of several months.

Ten Pass Agency Management Quiz

At the June examinations in life insurance agency management held concurrently with the C.L.U. examinations, 17 candidates from seven cities in six states took either or both of the two parts into which these examinations are divided. Only persons who have previously passed all of the C.L.U. examinations and earned the C.L.U. designation or certificate of proficiency are eligible to take management examinations.

Of the 15 candidates who received credit for either or both of the examinations taken, 10 completed the program this year and will be awarded the certificate in life insurance agency management at the annual conferment in Philadelphia Sept. 26. This makes 77 who have qualified for this certificate in addition to having previously received the C.L.U. designation or certificate of proficiency. This year's successful candidates are: O. R. Aspegren, II, agency supervisor Northwestern National, Chicago; B. E. Bare, brokerage manager New England Mutual, Los Angeles; B. M. Gaston, agency instructor Metropolitan, Philadelphia; L. G. Edgerton, agent New England Mutual, Roanoke, Va.; C. F. Edwards, assistant general agent Massachusetts Mutual, Los Angeles; Jordan Gauthier, general agent Reliance Life, Philadelphia; H. E. Kaye, assistant agency manager Equitable Society, Los Angeles; Howard Neal, president Galster-Neal & White, Los Angeles; S. I. Snortum, assistant agency manager Equitable Society, Los Angeles; C. C. West, assistant manager Prudential, Philadelphia.

Good Work in St. Louis

The St. Louis Life Underwriters Association under newly elected President Wellborn Estes has just completed successfully the first big undertaking of the new administration. As part of its public relations program the association more than followed the advice which Holgar Johnson gave in a recent column of his series, "Hindsight and Foresight," by sponsoring a benefit for the war relief fund of the American Red Cross. Arrangements were made with the Civic Theater of St. Louis for a benefit performance of its comedy hit, "See My Lawyer," with the entire proceeds donated to the Red Cross.

The St. Louis association took over the ticket sales—the Civic Theater put on the show—and the cooperation resulted in a check of \$750, the largest amount raised for the American Red Cross from any benefit sponsored in the St. Louis area.

Interest in Chapter 9 Hearings

SAN FRANCISCO—As a result of the hearings on chapter 9 life and disability companies conducted by Commissioner Caminetti, many inquiries are being received from state officials and others for complete reports on the modus operandi of the hearings and also the opinion of the attorney-general which gave Commissioner Caminetti the "go" signal and under which he is proceeding at the present time.

Some officials are asking for copies of the entire pleadings and several have indicated there is a possibility they may send representatives to California to make a thorough study of transcripts covering the proceedings.

Commissioner Caminetti flew to Los Angeles Monday to review transcripts of the hearings. While renewal has been granted to several Chapter 9 organizations, they are all operating under an extension of their old certificates which expire Aug. 15 and the commissioner will decide whether to grant or reject renewal on the others.

On Aug. 13 he will continue hearings on the Mt. Moriah Life and Physicians Life. On Aug. 14 he will hold hearings on the Independence Life of Santa Barbara and the Imperial Mutual Life of Los Angeles.

(Reprinted from Business Magazines)

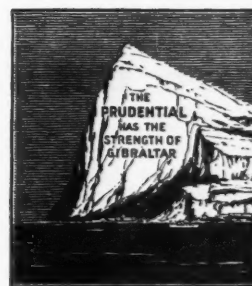
A Man of Comfort

Your life insurance agent is
more than a salesman
of protection

He is a trained specialist in his field; his advice and guidance are always available to you.

Take your problems to him. When you need and can afford additional protection let him measure your requirements and "fit" them to you, so that you may receive a maximum of coverage at lowest possible cost.

You will find him anxious to co-operate. The beneficiaries of your policy, perhaps you yourself if you survive, will be grateful for his concern at a future time when the dollars your insurance provides may be urgently needed.



The Prudential
Insurance Company of America
Home Office, NEWARK, N. J.

EDITORIAL COMMENT

Working Along Day by Day

THE other day THE NATIONAL UNDERWRITER asked one of the leading company executives as to whether he or his associates had any definite prophetic sense on which they could rely to foretell future business and economic conditions even six months ahead in view of the catastrophic war conditions on the other side. He replied and we agreed with him that there is no wizard, no superman, no genius, no one gifted with superhuman brilliancy that is able to divine the future even in that comparatively short span of time.

What then should organizations and persons do to prepare for the great change that is very likely to come over us when the buying power on the other side is cut off very materially, when we have totalitarian governments to deal with, when our own tax burden becomes exceedingly heavy. Perhaps the wisest reply comes from the philosophic answer that this executive gave when he said:

"It seems to me that our company

should go along from day to day in its steady pace, doing the best it can, not attempting to make drastic changes, not inviting a spirit of pessimism in the organization, but having a feeling of confidence in the future because of the good sense of American people and the wisdom of our business leaders. In our own company we endeavor to eliminate hysteria, prejudice, devastating fear. We do not want our people to have inculcated in their minds a feeling of insecurity. Therefore, it is our opinion we should march ahead with our faces toward the sun, being brave soldiers of peace, taking heed of changes that we may see forthcoming, adapting ourselves to them, not incurring any great obligations which we cannot meet out of current funds, but moving along in a natural way just as we have in the past. When we do the best we can and when we attempt to adjust ourselves to new forces and changes, that is about all we can do. We have abiding faith in our country and its people."

Best Time for Conventions

LIFE companies give considerable study to the best time of the year to hold agency conventions. Both general agents and the soliciting forces for good and sufficient reasons should have a voice in the matter. There are certain times of the year when all hands should be on the ground putting in their best ticks.

As a general rule, perhaps the summer months are the most appropriate for conventions because the usual hot weather and vacation slump is on and from a business getting standpoint that time would be the most satisfactory because the absence of rate book men from their territory would not mean so great a loss in production. However, many agency gatherings are held in the winter and the agents are taken usually to some southern resort. From a psycho-

logical standpoint executives may decide that there would be greater appreciation for the winter conventions.

General agents who study the situation rather carefully conclude that an agency convention means at least two solid weeks of absence from effective work. That is, the agent is preparing a few days ahead of time to go. He attends a convention which requires a week, even if the meeting itself does not extend over the entire time, and then it takes him three or four days to get back to his stride. In these days when every ounce of energy and time are needed to maintain production and the agents need every possible dollar that they can earn, the selection of convention times takes on an even more serious hue.

Rejection Notices on Blue Mondays

FROM a thoughtful general agent who is also an exceptionally able producer comes the suggestion that home offices should time their letters rejecting applications to arrive on any day except Monday. This general agent pointed out that no matter how much enthusiasm a man has Monday morning is the time when he is getting under way for the week and that getting a rejection in the morning's mail is like tackling a ball carrier in a football game before he

really has had time to start running.

Carrying the analogy farther, he observed that a good runner can shake off 10 tacklers, once he gets going. In the same way, once a life insurance man has hit his stride for the week he is not likely to worry about bad news. By that time he has so much momentum that notice of a rejection can be tossed aside without affecting his morale.

This may seem to be a small consideration and yet it is from a multiplicity

of such minor factors that the producer's progress is aided or hampered. While a temperamental agent is not necessarily a good agent, it is a fact that many good agents are temperamental and consequently affected by apparent trifles at some time more than at others.

After all a rejection is a rejection, whether it comes in on Monday or on Thursday but if the dampening effect is multiplied by coming in on Monday it is a consideration that might be worth attention from home office underwriting departments.

PERSONAL SIDE OF THE BUSINESS

Clinton P. Anderson, Albuquerque local agent and general agent of the Occidental Life, has filed as a candidate for Congress on the Democratic ticket.

J. C. Benson, Union Central, vice-president of the Ohio Association of Life Underwriters, and G. J. Woodward, Equitable Society, both of Cincinnati, are vacationing in North Carolina. They became acquainted when both men were district managers for their respective companies at Wichita, Kan., and were subsequently transferred to Cincinnati and appointed managers.

Returning from the Big Club meeting of the Mutual Life of New York at Quebec, J. R. C. Stephens of Wicomico Church, Va., one of the premier producers of the E. D. Wilson agency in Richmond, stopped over at Perth Amboy, N. J., and wrote a party of menhaden fishermen off the Jersey coast for about \$30,000 non-medical insurance. The fishermen were friends of his from the Northern Neck section of Virginia.

Isaac S. George, Baltimore general agent National Life of Vermont, has been appointed an executive officer of the Maryland Council of Defense and Resources by Governor O'Connor.

Leslie Lowry, Beaumont, Texas, general agent of Guarantee Mutual Life, has been elected to the legislature from Jefferson county.

Fifty-five business, banking and insurance leaders attended a testimonial dinner in St. Louis for C. Carroll Otto, Mutual Benefit Life general agent there for 12 years, who leaves Sept. 1 to take charge of the Detroit agency. He has been with the Mutual Benefit 21 years.

S. F. Clabaugh, president of the Atlantic Life, who has held a commission as major in the officers reserve corps for several years, has been ordered to report to Washington for a tour of active duty at the Army Industrial College for the remainder of this year. The directors of the Atlantic Life, regretting the loss of Mr. Clabaugh's services to the company, granted him the necessary leave of absence from his duties.

Ben Serrill, son of J. D. Serrill, Minneapolis general agent in Minnesota for American Mutual Life, is following in his father's footsteps by entering life insurance. He has joined the Connecticut General at its home office. Young Serrill finished his university course last June.

Ralph M. Oakley, for the past 19 years with Connecticut General in New Haven, has joined Massachusetts Mutual in the same city. Mr. Oakley is president of the Milford, Conn., Rotary Club. Before joining Connecticut General he was with Travelers about two years.

G. S. McCarter, agency supervisor of the ordinary department of the Ameri-

can National Life, Galveston, has completed the manuscript for "Minimizing the Tax Burden," which will soon be published. In travels which cover the greater part of the United States, he has continued study of economics, his favorite subject.

Mrs. Stella Gibbs, head of the recently created women's division of the California-Western States Life, was honored by company officials and department heads on her 19th anniversary with the company.

Jesse E. Downs, Charleston, Mo., general agent Central States Life, has written at least one new application a week for 600 consecutive weeks. Only one other man with the company has as long a record, L. S. McQuarrie of Utah, with 605 weeks to his credit.

Paul Johnson, manager of Fidelity Mutual Life at Cincinnati, who is a past assistant paymaster in the U. S. Naval Reserves, has been ordered to report to the Great Lakes Naval Training Station for two weeks' special instruction.

Insurance Director Palmer of Illinois is vacationing on Washington Island, which lies just north of the Green Bay peninsula in northern Lake Michigan waters.

DEATHS

W. J. Holbrook, 85, manager loan department of the Northwestern Mutual Life at the home office in Milwaukee for nearly 50 years before his retirement in 1925, died after a week's illness.

T. F. Jardine, 53, veteran life insurance man, died in St. Paul after a long illness. For the past 2½ years he had been St. Paul general agent of the American Mutual Life and previous to that had been with the Mutual Life of New York.

O. S. Mable, Metropolitan Life agent at Marshalltown, Ia., died there from injuries suffered in an automobile accident.

Cincinnati Group Is Active

CINCINNATI — C. V. Anderson, Provident Mutual, and J. C. Sebastian, Union Central, have been added to the general committee in charge of Cincinnati's invitation for the 1941 meeting of the National Association of Life Underwriters. Ray Hodges, Ohio National, secretary of the National association, is general chairman, the other members being J. C. Benson, Union Central, and L. B. Scheuer, State Mutual, president of the Cincinnati association. The committee is continuing its work of contacting agency leaders over the country to create sentiment favorable for holding the 1941 meeting here.

THE NATIONAL UNDERWRITER



Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704

EDITORIAL DEPT.: C. M. Cartwright, Managing Editor. Levering Cartwright, Assistant Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor.

BUSINESS DEPT.: John F. Wohlgenuth, President. H. J. Burridge, Vice-President and Secretary. John Z. Herschfeld, Treasurer. Associate Managers: W. A. Scanlon, G. C. Roeding, O. E. Schwartz.

CINCINNATI OFFICE—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

NEW YORK OFFICE—123 William St., Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson and R. B. Mitchell, Associate Editors. Business Dept.—N. Y. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

ATLANTA, GA., OFFICE—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. W. M. Christensen, Resident Manager.

BOSTON OFFICE—Room 522, 25 Huntington Ave., Telephone KENmore 5237. R. E. Richman, Vice-President.

CANADIAN BRANCH — Toronto, Ont., 370 Woburn Ave., Tel. Mayfair 4761. W. H. Cannon, Manager.

DALLAS OFFICE — 811 Wilson Bldg., Tel. 2-4955. Fred B. Humphrey, Resident Manager.

DES MOINES OFFICE—2825 Grand Ave., Tel. 4-2498. R. J. Chapman, Resident Manager.

DETROIT OFFICE — 1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS OFFICE—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

PHILADELPHIA OFFICE—1127-123 S. Broad Street, Telephone Pennypacker 3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO OFFICE—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$3.00 a year (Canada \$4.00). Single Copies, 15 cents. In Combination with The National Underwriter Fire and Casualty, \$5.50 a year (Canada \$7.50). Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

NEWS OF THE COMPANIES

Old Line Life Reports Gains for First Six Months

MILWAUKEE—Life insurance in force of the Old Line Life of America on June 30 amounted to \$81,400,833, a gain of \$1,043,794 since the first of the year. Admitted assets reached \$23,085,240, a gain of \$456,642. The bond account increased \$280,157 to a total of \$7,094,409, and mortgages increased to \$7,979,428.

Gross income in the first six months was \$2,096,908, a gain of \$166,982. Disbursements were \$1,625,832, and included \$1,016,998 payments to policyowners and beneficiaries, bringing the total payments since organization to \$23,814,039. Surplus was increased \$75,529 after providing for all contingencies.

New life insurance written gained 9.75 percent, and new accident and health premiums increased 26 percent for the first six months.

President J. E. Reilly reported considerable activity in real estate sales.

About 100 employees of the Old Line Life and their families participated in the company's annual outing at Brown's Lake, near Burlington, Wis., Thursday.

Celebrates 90th Anniversary

The Manhattan Life celebrated its 90th anniversary Aug. 1. On May 29, 1850, a group of men prominent in the business life of New York City, incorporated the Manhattan Life. New York City had then 696,115 inhabitants. The Manhattan was the first American company to insert an incontestable clause in its policies.

During the last few years the Manhattan Life has entered upon a plan of expansion. Its new business writings in 1939 were 30 percent in excess of its 1938 figures and the new paid business the first six months of 1940 increased 27 percent.

L. & C. Buys Building Site

NASHVILLE, TENN.—Although definite plans are not yet announced, the Life & Casualty is expected to construct an office building on a site purchased at Church street and Fourth avenue, adjacent to its present building on Fourth avenue. This gives his company 225 front feet on Fourth avenue, making possible the early erection of a much-needed additional unit to the home office building, President A. M. Burton states.

Massachusetts Mutual Gains

Massachusetts Mutual Life had ledger assets of \$690,801,796 June 30, an increase of \$19,678,693 since Jan. 1. Half-year payments to policyholders and beneficiaries were \$25,178,198, including death claims \$9,207,769, matured endowments \$2,180,406, dividends \$5,494,712, surrender values \$4,877,916, disability claims \$899,857 and annuity payments \$2,517,538.

The six months premium income was \$36,560,678. Insurance in force June 30 was \$1,975,472,655, increase \$11,900,422 since Dec. 31.

The district court in Oklahoma City has approved the taking over of the American Life of Detroit by the American United Life.

August has been designated "President's Month" by the agency department of the Central States Life.

Commissioner Lovejoy of Maine has been named by a group of representative citizens appointed by the governor, investigating acts which may be detrimental to the best interests of the national government, to act as a clearing house between Maine's authorized enforcement authorities and the F.B.I. on matters which come under the head of subversive acts.

Work Starts on New Home of United Life & Accident

A contract has been awarded for the construction of a new home office building for United Life & Accident of Concord, N. H.

It will be erected on the site bounded by Washington, White, Blanchard and North Essex streets. A factory has been demolished to make way for the structure.

The exterior is of a simple type of Georgian architecture executed in red brick and painted wood trim. The only attempt at elaboration is the colonnaded main entrance portico.

Two stories high in front, the natural contour of the land results in a basement which is only slightly below the grade at the rear, making what is practically a three-story building on the northerly side.

A single large room on the first floor takes care of the main clerical force. This room together with five smaller rooms and the public entrance lobby occupy the entire first floor. The second floor is given over to executive activities and the basement provides space for mechanical equipment, locker and toilet rooms for employees and various other requirements.

Fluorescent lighting will be used and the entire building will be mechanically ventilated. Floors will be of rubber tile and linoleum. The ceilings will be treated with sound absorbing material.

COMPANY MEN

Occidental Agency Men Promoted

LOS ANGELES—Important changes in the home office agency department of the Occidental Life of California have been announced.

Raymond H. Belknap, agency secretary and assistant secretary, has been



R. H. Belknap



H. D. Trueblood

named director of agencies. He will expand his present activities and assume new responsibilities.

H. Dixon Trueblood, editor of publications, has been appointed agency secretary. He will retain some of the administrative duties of his former position.

Earl Clark, formerly agency secretary American Reserve Life, has joined Occidental's agency department. He will take over publication of the "Pulse," agency publication, and do sales promotion work.

Mr. Belknap joined the Occidental in 1926 after his graduation from the University of Southern California. He left the home office in 1929 to take up field work, and in 1935 was appointed general agent at Pasadena, Cal. His success in building up that agency led to his recall to home office duties in 1936. In April, 1936, he was made assistant agency secretary and in December of that year was advanced to agency secretary.

A graduate of Indiana University, Mr. Trueblood went to the Occidental in

1936, following nearly seven years' work as editor of the "Agency Bulletin" and district supervisor for Union Central Life, which he joined immediately after college.

Dr. Whitney on Retired List

Dr. Chester F. S. Whitney, who has been consulting medical director of Home Life in recent years, has now retired under the company's retirement plan. He is a former president of the Association of Life Insurance Medical Directors of America. He was made assistant medical director of Home Life in 1916, associate medical director in 1920 and medical director in 1928. He has been an instructor and lecturer at New York University and Bellevue Hospital Medical College. During the world war, he organized one of the first Red Cross ambulance units that was ordered overseas.

Orth to Sunset Life

Raymond E. Orth, agency manager California-Western States Life, Oakland, Cal., has resigned to become assistant to the president of Sunset Life of Olympia, Wash.

Mr. Orth is resigning as president of the Oakland-East Bay Life Underwriters Association and secretary of the

East Bay General Agents & Managers Association. He formerly was San Francisco general agent of the Home Life of New York and served as president of the San Francisco General Agents & Managers Association.

Darling to Head Office

J. M. Darling, supervisor in the White & Odell agency of the Northwestern National Life at Minneapolis for the past 3½ years, has become a field supervisor at the head office. He has spent 16 years as personal producer, general agent and supervisor. He joined the company as an agent, first in Kansas City. He is a graduate of the University of Chicago.

Roberts Home Loan Supervisor

Lloyd R. Roberts has been named residential loan supervisor by the Equitable Society in Des Moines and will also be in charge of the new assured home owners loan department. He formerly was in the banking business at Adel, Ia., and has been general agent of General American Life at Mason City, Ia., for the last ten years.

Joins Boston Mutual Life

The Boston Mutual Life has appointed E. T. Skinner manager of its in-

CHECKING UP—ON OURSELVES

LIKE THE CHAUFFEUR who anonymously telephoned his boss, we like to check up on ourselves. When a man opens a new agency for us, we ask him *why he picked Continental American*.

Here are the highpoints of some recent replies: The Company's full line of ten **Preferred Class** contracts. The **"Business Policy"** (which provides to Age 65 an average of about one-third more than the usual amount of protection per premium dollar). The **Term Additions** provision (which permits the policyholder, without evidence of insurability, to buy about \$100 of extra protection with each \$1 of dividend). The **philosophy** of Continental American—stretching the protective power of the premium dollar. The modern **sales training methods** of the Company. The **Change-of-Plan** privilege (permitting the Endowment and Limited Pay policyholder to reduce his premium to lower than Ordinary Life premium as of original age, regardless of insurability). The **agency-mindedness** and spirit of co-operation of the whole Company.

These and many other points have been mentioned by new Continental men as reasons for joining the Company . . . as answers to the question, WHY CONTINENTAL AMERICAN?

Continental American Life Insurance Company

WILMINGTON, DELAWARE

W. M. ROTHARMEL, Vice President

OPPORTUNITIES are now open in West Virginia, Virginia, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, and Ohio

vestment department and statistician. He attended Rhode Island State College and graduated from Columbia University School of Business in 1927, after three years in financial work in New York City. He went to Boston in 1930 and for nine years was with Bright, Sears & Co., specializing in investment management and security analysis. The past year he has been with Chandler, Hovey & Co. as head of their statistical department.

Hal C. McLoud has joined the home office agency staff of the Western Reserve Life at Austin, Tex. He was formerly in the home office of the Franklin Life at Springfield, Ill.

NEW YORK

McMillen Agency Hears of Youth's Sea Adventure

NEW YORK—Charles Norton, 15-year old son of W. L. Norton, North Carolina general agent of Northwestern Mutual Life, made headlines by sailing his 16-foot Comet class sloop "Popeye" from Morehead City, N. C., to the New York fair. He told about his trip at the agency meeting of the Clifford L. McMillen agency of Northwestern Mutual in New York this week.

With him was Thomas O'Shea, also 15, a friend, who acted as crew from Atlantic City to the end of the voyage. The original crew had left following a disagreement with the captain.

The "Popeye's" 800-mile voyage included the rough waters of Chesapeake Bay and 70 miles of open ocean along the New Jersey coast.

Captain Norton told the McMillen agency that he made the voyage on a dare because fishermen around Morehead City thought it couldn't be done in so small a craft. Since the "Popeye" is not much bigger than a good sized rowboat, most people would be inclined to agree with the fishermen.

Asked by Mr. McMillen how the senior Norton felt about the projected trip, Charles said that his father had faith in his ability to accomplish whatever he started and that his mother "usually agreed with his father."

After seeing the sights, the two boys will return by train to Durham, where they live. The "Popeye" will also return by rail, partly because of parental insistence and partly because the boys want to get home for the impending sailing races.

DAVIDSON TO BE HOST

Clinton Davidson, who writes a large volume of life insurance as head of the Estate Planning Corporation of Jersey City, N. J., will be host to a number of prominent life insurance men at an outing at his home in Bernardsville, N. J., Aug. 15.

YOUNGMAN AGENCY'S RECORD

The A. V. Youngman Agency of the Mutual Benefit Life in New York City paid for \$3,310,019 on 450 lives in the first half of 1940. The agency was until Jan. 1 part of the former single New York City Mutual Benefit agency. The full-time agents showed an increase of 147 percent in volume and 12 percent in lives over what they produced in the first half of 1939. J. Weldon Curried led in volume and C. E. Maxwell in lives.

INSTITUTE ANNUAL MEETING

The second annual meeting of the Institute of Life Insurance will be held Dec. 4 at the Waldorf-Astoria Hotel, New York City.

The C. B. Knight Agency of the Union Central in New York City reports paid for business in July, \$906,900. The total for the first seven months is \$9,909,657.

LIFE AGENCY CHANGES

Jack White Succeeds His Father in Los Angeles

Jack White has been appointed manager of the Prudential's ordinary "B" office in Los Angeles, succeeding his father, the late James S. White, who



JACK WHITE

organized the agency in 1923 and built it into one of the leading Prudential agencies.

Jack White joined the agency in 1931 and was appointed assistant manager in 1932. He is a past president of the Los Angeles C.L.U. chapter, and is a former director of the Life Underwriters Association of Los Angeles. He is a charter member and vice-president of the Los Angeles Life Agency Supervisors Association. He is a native of California, having been born in Holtville in 1909. He attended the University of California at Los Angeles.

Mr. White's appointment was announced at a dinner of the agency force. Mrs. James S. White, widow of the late manager, was present.

August production is to be devoted to a "send off" for the new manager.

Occidental Life Names New Manager in Minneapolis

John L. Gilstrap, formerly chief examiner of the Iowa department, has become manager of the Minneapolis branch office of the Occidental Life of Los Angeles in the Northwestern Bank building.

He formerly was division manager of the Occidental, his territory including Minnesota, Iowa, North and South Dakota and several other midwestern states. Recently he has been in the agency department at the home office as agency assistant.

Following his service in the Iowa department, he became agency secretary of the Guaranty Life in 1934 and joined the Occidental in 1937 when it reinsured the Guaranty Life.

Sardonis Conservation Manager

J. L. Sardonis, district agent Mutual Trust Life, Nashua, N. H., has been appointed conservation manager for the state of New Hampshire.

New Manager for North Dakota

Policyholders National Life of Sioux Falls, S. D., has appointed C. E. McCarthy as general agent with headquarters in the Black building, Fargo, N. D., in charge of North Dakota and north-

ern Minnesota. He went with Mutual Life of New York in 1933 at Detroit Lakes, Minn. Then he served for a time as postmaster there. He again returned to Mutual Life in 1937 as agency organizer in Minnesota. He resigned that position a few months ago.

Arthur Lee, who has been North Dakota manager, is taking charge of development work in Montana in which Policyholders National Life has just been licensed. He resided in that state for 30 years and has desired for some time to return there. He will establish headquarters at Great Falls. Mr. Lee's agency is credited with having placed \$7,000,000 on the books for Policyholders National in North Dakota.

Hoffman Made Salem Manager

The Merle G. Summers agency of the New England Mutual in Boston has appointed E. A. Hoffman manager of its branch at Salem, Mass. He joined the New England Mutual in 1919. For the past few years, in collaboration with W. L. Wadsworth, he has headed the sales supervision department of the Summers agency.

Grand Rapids Change by Massachusetts Mutual



Walter Jolley



D. H. Treleven

The Massachusetts Mutual announces the resignation of D. H. Treleven, general agent at Grand Rapids, Mich., since 1925, and the appointment of Walter Jolley as his successor effective Oct. 1.

Mr. Treleven has long looked forward to returning to personal selling. He and his associates have made an excellent record, the agency having \$12,554,000 insurance in force.

Mr. Jolley entered life insurance in 1930 in Chicago. After seven years as a personal producer, supervisor and in-

"GUARANTEE MUTUAL MEN MUST SUCCEED"

BUILDERS of MEN

LET'S TALK ABOUT: →

Lapses

Do you keep premium due-date records on your personal business? On all agents business? On orphan business? What type records?

What do you do with cards on lapsed policies? Their future value, if any.

Have you definite rules of procedure for the agent in servicing policies? Do you require reports?

How can the agent's willingness to service policies be stimulated?

Do you check regularly each agent's lapse and persistency record?

BUSINESS THAT PAYS IS BUSINESS THAT STAYS



Of increasing importance to all is the problem of persistency. That's why discussion of lapses occupies an important place in our unique two weeks' GENERAL AGENT'S CONFERENCE. Conclusions jointly reached are aiding our General Agents to make more effective their work in reducing lapses.

"Forward in Forty" really means something with us.

A. B. Olson, Agency Vice-President

Ask our General Agents about the value of our GENERAL AGENT'S CONFERENCE. It is a part of the "Builders of Men" agency plan.

GUARANTEE MUTUAL LIFE COMPANY

OMAHA, NEBRASKA

ORGANIZED 1901

Our Income Continuance plan provides monthly payments for life to our agents beginning at age 65. Ask about it!

structor of agents, his sales exceeding \$150,000 annually, he became associated with the E. W. Hughes agency of Massachusetts Mutual in Chicago in 1937. His appointment as Grand Rapids general agent comes as a result of his outstanding success as a supervisor for Mr. Hughes.

He started his insurance career with the Penn Mutual in Chicago when A. E. Patterson was general agent. He received announcement of his Grand Rapids appointment just three years after joining the Hughes agency.

Mr. Jolley was born in Indianapolis. He received his higher education in the liberal arts school, University of Illinois, being graduated in 1930. He was on the football teams in 1927-8-9.

Allen to Huntington, W. Va.

George Allen, district manager at Harlingen, Tex., for the Jefferson Standard Life for four years, has been transferred to Huntington, W. Va., as branch manager.

Keefe Shifted to Seattle

Alfred Keefe, who has been assistant manager of District 1 of the John Hancock in San Francisco for eight years, has been transferred to Seattle as superintendent for Seattle and Tacoma. He succeeds C. F. Burrill, who resigned to enter another business.

Collins Goes to Kansas City

J. A. Collins, district group supervisor of Travelers in the 55 John street branch office in New York City, is being transferred Aug. 15 to the Kansas City branch, his territory taking in that of the Kansas City, Omaha, Des Moines and St. Louis branches.

Logan Is Stoessel's Assistant

J. S. Logan has been appointed assistant general agent of the W. J. Stoessel agency of the National Life of Vermont in Los Angeles. He was for five years general agent of the Fidelity Mutual Life at Fresno, Cal., was with other companies in San Diego and Los Angeles and for some years assistant to John Newton Russell in the home office general agency of the Pacific Mutual Life. He will have charge of agency work and brokerage business.

R. L. Ingraham, associate general agent, who has been ill for some time, has taken a leave to Jan. 1, when he is expected to resume his position and will devote himself to the supervision of the brokerage department.

John Manss Joins Reliance Life

CINCINNATI—John Manss has been appointed district manager by the Reliance Life for Kenton, Campbell, and Boone counties in Kentucky, with headquarters in Covington, under the supervision of R. C. O'Connor, manager at Cincinnati. Mr. Manss has a long insurance experience, most recently with the Columbia Life home office and as associate general agent of Penn Mutual.

E. A. Russell, district agent State Farm Life, Manhattan, Kan., secretary-treasurer of the Manhattan Life Underwriters Association, has been transferred to Oregon.

W. M. Saint, Jr., formerly with the Harold Leslie agency of the Northwestern National Life in Los Angeles, has rejoined that agency after five years in sales research department at the home office in Minneapolis.

W. E. Hughes, general agent Mutual Benefit Life, Worcester, Mass., has appointed G. H. Dudley district manager. He joined the Worcester agency in 1913.

The W. T. Shepard agency of the Lincoln National Life in Los Angeles held its annual picnic at the Lakewood Country Club, with 85 in attendance.

Pilkington & Giese Takes Bankers Life of Nebraska

Pilkington & Giese, a partnership, has been appointed general agent of Bankers Life of Nebraska in Chicago.

The partners are Robert G. Pilkington and Irving W. Giese. Mr. Pilkington for about 16 months has been regional manager of Bankers Life of Nebraska in Chicago. He has been in the business about nine years, all in that city, for eight years having been an agent and educational supervisor of the Equitable Society. Mr. Giese has had about 16 years' life insurance experience, having been an agent of the Aetna Life in Chicago when S. T. Whatley, agency vice-president of that company, was the Chicago general agent. For a number of years past he has been general agent of Continental Assurance in Elmhurst, Ill.



R. G. Pilkington

CHICAGO

BUREAU SCHOOL IN CHICAGO

The Research Bureau's school in agency management got under way at the Edgewater Beach Hotel, Chicago, this week for a two-week stretch. The class numbers about 40 and there are five members of the bureau staff on hand, they being B. N. Woodson, L. W. S. Chapman, Ward Phelps, R. B. Proctor, James E. Schofield. The Chicago school is the final one of three to be held throughout the country this year. There will be a banquet Aug. 16 for members of the class and those who attended previous schools.

FORGES AHEAD 20 PERCENT

The Marquis Bowman agency of Bankers Life of Iowa in Chicago is 20 percent ahead in business volume for the first seven months this year, with a total of \$1,250,000 paid for. The average paid production monthly per man has been \$13,833 this year, which includes several comparatively new agents who are producing little business. June set a record, the 14 men producing \$298,000, or more than \$21,000 per man. Mr. Bowman believes in the agents keeping weekly records of calls, interviews and sales and has succeeded in inducing all but some of the older agents to do so. In the 12 months ended Aug. 1, it was found that the averages of those who made the weekly reports were 55.8 calls weekly, 16 interviews, 8.1 requests to buy, 1.7 sales and \$3,871 average weekly production per man. These agents each secured an average of 8.1 prospects a week. The "request to buy" in the Bowman agency means an interview in which there have been at least three attempts to close. The figures include those of several new men who since have failed, and compare closely with the weekly records of the three top men.

JOHN FETZER TO GRINNELL

John Fetzer, secretary of W. A. Alexander & Co. of Chicago and head of its educational and sales work, has resigned to go to Grinnell College, Grinnell, Ia., as assistant to its new president, S. N. Stevens, who has been one of the outstanding members of Northwestern University faculty. Dr. Stevens succeeds President Nollen, brother of Chairman H. S. Nollen of the Equitable Life of Iowa and President G. S. Nollen of Bankers Life of Iowa. Mr. Fetzer and Dr. Stevens are close friends. Mr. Fetzer attended Northwestern. His father, Wade Fetzer, is president of Alexander & Co. and a trustee of Northwestern.

His brother, Wade Fetzer, Jr., is vice-president of Alexander & Co. and member of the executive committee of the National Association of Insurance Agents. Dr. Stevens was head of University College of Northwestern. He is 40 years of age.

John Fetzer spent 12 years with Alexander & Co. and then four years with the western department of the America Fore group of fire companies in Chicago doing educational work. He returned to Alexander & Co. Oct. 1, 1936, and since then has devoted his time to its educational and sales promotional work.

COOK AGENCY PRINTS TAX CARD

A ready reference tax card giving the effect of the new tax increase has been published by the Paul W. Cook Agency of the Mutual Benefit Life in Chicago. The card, prepared under the supervision of an attorney, lists income (both personal and corporation and percent of increase), federal estate and gift taxes and Illinois inheritance tax. This organization specializes in tax and estate plans for life insurance, cooperating with attorneys, accountants and trust officers—as well as their clients.

The Cook Agency is 31% ahead in paid production for the first six months over the same period in 1939, standing high among the plus agencies. The

leading agency producer is F. A. Llewellyn, with T. C. Smith and A. E. Koltenberg following. Lives leader is Wm. R. Ruminer, with T. J. Charlesworth second. S. B. Fleager recently led the agency in the company's nationwide "Quality" campaign. F. E. Harrold formerly with the Massachusetts Mutual Life, has joined the agency.

ROYER AGENCY MAKES GAINS

The J. M. Royer agency of Penn Mutual Life in Chicago reports a substantial gain in business for the first six months this year, having exceeded its allotment by 12 percent and gained 14 percent in paid for business over the same period last year. July was one of the largest months. The agency ranks second countrywide in Penn Mutual for increase over allotment for six months. The three leading agents for the first seven months are E. H. Harrison, Robert Lotz and E. C. Hoelscher, Jr. Mr. Royer is in his fourth year as general agent in Chicago.

ZISCHKE'S OFFICE REMODELED

The H. A. Zischke agency of the Union Central Life in One LaSalle Street building, Chicago, is having its quarters entirely remodeled, streamlined and completely changed. Mr. Zischke introduces instead of the regular private



"Let George Do It"

With the Minnesota Mutual Incommeter. Your prospect sells himself with this simple meter to determine his own insurance needs. The Incommeter is just one of the many selling aids we offer our Field Force. Here are the others:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for agents.
6. A unique supervisory system.
7. Organized Selling Plan.
8. Unusually effective selling equipment.
9. Policies for every purpose: Regular—Family—Juvenile—Women—Group—Payroll Savings, etc.
10. Low monthly premiums.

A \$235,000,000.00 Mutual Company, 60 years old with an understanding, cooperative Home Office.

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

offices for agents an office with a six-foot-high glass partition open at the top in order that there may be better ventilation. This gives the general office a view of the entire organization.

W. M. HOUZE'S COFFEE DRINKERS

At 9:30 o'clock every work day morning a jolly company of general agents in One LaSalle Street building, Chicago, can be found in DeMet's restaurant on

the ground floor, drinking coffee for 15 minutes. This is a custom that was inaugurated by Coffee Captain W. M. Houze of the John Hancock Mutual Life and he has been recruiting so that now there is a goodly assemblage. There are often seen responding to his command J. F. Ramsey, Home Life; E. B. Thurman, New England Mutual; J. C. Caperton, State Mutual; C. B. Stumes, Penn Mutual; B. C. Howes, Berkshire, and A. E. McKeough, Ohio National.

combe, manager of the Life Insurance Sales Research Bureau, Hartford, and President Irish. Vice-President Chester W. McNeill was toastmaster.

United Life & Accident Agents Annual Meeting

The 1940 White Mountain Club of United Life & Accident held its four-day convention at White Sulphur Springs, W. Va. Frank Swartz, with largest volume paid for, is president; J. N. Lavietes, second, vice-president, and G. L. Jordan, third, secretary. There were 19 members in attendance. Guests included J. V. Hanna, president of the company; W. D. Haller, vice-president and agency manager; F. E. Rushlow, manager claim department, and J. M. Hertz, agency secretary.

Mr. Swartz ranked first in largest average size policy; William Manowitz, second, and H. J. Small, third.

Harold Weincrot ranked first in highest persistency rating for two previous years' business; G. A. Neilson, second, and A. F. Goyette and James Haberman, tied for third place.

K. C. Life Minnesota Outing

Fifty agents of the Kansas City Life in Minnesota attended the summer agency outing at Lake Pulaski, near Buffalo, Minn. Representing the home office were: W. T. Whitehead, director of sales promotion; Dr. J. E. Bee, medical examiner; M. Smith, supervisor of northwest agencies, and Frank Boyce, assistant secretary. W. T. Koop, state manager, reported 50 percent gain in business for the seven months. P. J.

Sletterdahl, editor of "Northwest Insurance," and Leonard Dorn of the insurance department were speakers.

Plan Continental Conference

The Continental Assurance of Chicago will hold its annual conference of the 1-2-0 Club at Lawsonia, Green Lake, Wis., Aug. 26-28. The \$250,000 Club will go to Rocky Mountain National Park Aug. 20, returning to join the 1-2-0 Club at Lawsonia. Going with the top club will be Vice-president Roy Tuchbreiter, Vice-president W. E. White and Superintendent of Agents M. B. Simms.

Protective Life Club on Cruise

The 1940 Protective Club of Protective Life of Birmingham is on its annual convention trip, a Great Lakes cruise, together with officials of the company, wives and other guests. The party will return to Birmingham Aug. 12 or 13.

Herbert J. Baum of Birmingham was the leading producer the past year and thus became president of the club. The next leading producers are A. L. Bell, Mobile, and Hoyt Winslett, who automatically became vice-president and secretary of the Protective Club.

New Sales Plan Explained

CINCINNATI—A three-day conference of Massachusetts Mutual general agents from Dayton, Columbus, Indianapolis and Cincinnati was held with Charles Hall, assistant director of agencies, explaining the company's new sales plan, which is available to all of its agents. The plan requires three days'

LIFE SALES MEETINGS

Central Life Shows "It Can Be Done"

With the convention theme "It Can Be Done," 125 leading producers of the Central Life of Iowa, who had "done it" and their families enjoyed five days of entertainment at Gull Lake, Minn.



E. H. MULOCK

President E. H. Mulock awarded the production prizes. Officers of the Leaders club, determined by paid volume, paid premiums and paid cases were named: J. B. Lindner, Cleveland, president; R. A. Sullivan, Springfield, Mo., vice-president; and G. F. Garrison, Salina, Kan., and George Andrews, Grand Rapids, Mich., who were tied, secretary and treasurer.

App-a-Week Club honors were conferred on A. B. Olson, Los Angeles; A. B. Cramer, Dubuque, Ia.; D. P. Smith, Ft. Dodge, Ia.; Mr. Garrison; Mr. Andrews; Mr. Lindner; A. E. Osertheld, Stoughton, Wis., and Ira Tucker, Wausau, Wis.

There were no set speeches made by field representatives. President Mulock explained that as a production campaign was in progress immediately leading up to the convention, there was no time for agents to prepare talks. Company officials also desired to devote considerable time to private consultations for the study and solution of individual problems.

Special entertainment was provided for each of the evenings. At the annual banquet Tom Collins, Kansas City editor, spoke on "Worry—Successfully and Unsuccessfully." "Life insurance is the certain solution to the universal worry," he said.

B. M. A. Washington-Oregon Rally

Salesmen of the Business Men's Assurance from Washington and Oregon, held a two-day round table meeting in Longview, Wash.

C. W. Rogers, Washington manager, and E. M. Ward, manager for Oregon, handled the arrangements for the meeting. J. P. Baldwin, vice-president and California manager, attended. J. C. Higdon, vice-president; L. L. Graham, director field service, and T. Nelson, group insurance department, represented the home office. A unique feature of the program was a panel discussion conducted by the wives, "How the Wife Can Help Boost Business."

Union Mutual Life Agents at Portland

Sixty-five agents and general agents of the accident insurance division of Union Mutual Life met at the home office of the company in Portland, Maine, on Monday and Tuesday of this week. President R. E. Irish outlined future plans and particularly explained that the accident producers were free to develop accident insurance as a first claim on their efforts.

Speakers at the sessions were C. H. Lenihan, Boston; F. E. Shreve, western field supervisor, Erie, Pa.; H. W. Farnham, director wholesale group department, Portland; Gwyn Hughes, eastern field supervisor, Boston; Fred Jordon, Maine manager, Portland; Glenn Stearns, superintendent of agencies life department; L. C. Baldwin, assistant superintendent life department agencies, and R. E. Richman, vice-president National Underwriter Company, Boston. Clifton McNeill, superintendent of agencies accident department presided at the business sessions. At the banquet the speakers were Maine Insurance Superintendent C. W. Lovejoy; Marshall Hol-

COMMONWEALTH LIFE
EXPANSION PROGRAM
OFFERS BETTER INCOME
POSSIBILITIES

COMMONWEALTH LIFE has gained popularity with its hundreds of thousands of policyholders through real service. With this background and its intensified development of its territory the campaign offers attractive opportunities to capable salesmen. Policies are issued from birth to the age of 70. Write

WALTER S. SCHNEITER,
Secretary of Agencies

Commonwealth Life
INSURANCE COMPANY
HOME OFFICE - LOUISVILLE, KY.

THE
POLICYHOLDERS' COMPANY
SINCE 1845
The Mutual Benefit
LIFE INSURANCE COMPANY
ORGANIZED 1845 • NEWARK, N. J.

intensive study and has been developed over a period of two years.

Illinois Bankers Club Officers

The new officers of the Leaders Club of Illinois Bankers Life, who will be installed at the agency convention in Chicago Aug. 19-21, have been announced. Denver C. Fields of Illinois is president. Vice-presidents are: W. B. Bauman, Virginia, life department; H. D. Ownby, Illinois, commercial accident and health, and G. A. Weaver, Indiana, intermediate accident and health.

Penn Mutual Meeting

Penn Mutual Life is holding a regional conference of general agents at the Edgewater Beach Hotel, Chicago, this week for 13 agencies from Illinois, Wisconsin, Michigan, Minnesota and Indiana. There are present from the home office Vice-president A. E. Patterson, Second Vice-president Wallis Boileau; L. J. Oswald, Jr., assistant to the agency vice-president, and W. J. Probst, head of the salary savings department.

State Farm Virginia Meeting

Virginia special agents of the State Farm Life met in Richmond to attend a life insurance institute. Among the speakers were M. G. Fuller, vice-president, and R. C. Aylor, Virginia field supervisor.

Hold Penn Mutual Rallies in West

A. E. Patterson, vice-president in charge of agencies; Wallis Boileau, Jr., vice-president, and L. J. Oswald, Jr., assistant to the vice-president, will attend the northwest conference of Penn Mutual agencies in Victoria, B. C., Aug. 16-17, will make a stop in Seattle as guests of J. F. Grant, general agent, and from Seattle will go to the educational conference in Del Monte, Cal.

The date of the Penn Mutual Life midwest regional conference at Excelsior Springs, Mo., has been changed to Sept. 1-5.

Paisley Loses Commission Suit

JEFFERSON CITY, MO.—In a suit brought by George F. Paisley, one time home office agency manager for the defunct International Life, of which his father was once president, to collect \$699,782 alleged to be due him under the terms of his agency contract, the Missouri supreme court decided that instead of there being anything due him under the contract he actually owes \$10,403 to the Missouri State Life for over-payments made to him.

Life Men Told of Need for Ark. Compensation Law

LITTLE ROCK, ARK.—An adequate workmen's compensation law is imperative if Arkansas is to progress economically and develop its natural resources through industrial growth, Lawrence A. Gouldman, Little Rock lawyer and former president National Association Independent Insurance Adjusters, told members of the Little Rock Life Underwriters Association. Voters will not be deciding a political issue but settling demands for a social and economic change when voting on the question in November, he said.

There are two proposals, one for insurance by private companies and one for state fund.

Emporia, Kan.—New officers are: Ed Freeman, United Life, president; Paul Bingham, vice-president; Bernie Hinkle, secretary-treasurer. J. E. Conklin, president of the Kansas association, spoke on "Life Underwriter of 1940." Guests included Leo R. Porter, Wichita; Walter Leonard, Manhattan; W. A. Barton, Topeka; Lee Wandling, Wichita, and Herman Mangus, Manhattan. Emporia will be host to the Kansas sales congress and annual meeting next spring and President Conklin and the executive committee checked over the facilities, including a fine convention hall only recently completed.

Salina, Kan.—New directors serving with President J. L. Donelan are J. S. Piper, L. R. Miller, Roy Omer, Everett Knapp, Frank Mercer, and Alf Weber, retiring president. J. S. Piper is vice-president and L. R. Miller, secretary.

Manhattan, Kan.—Officers elected include A. E. Messenheimer, president; Herman Mangus, vice-president. E. A. Russell, elected secretary-treasurer, has resigned and J. C. Russell is acting secretary. Regular meetings are being held through the summer.

Topeka, Kan.—Probate Judge Roy McCue spoke on "The New Probate Court Law and its Relation to Life Insurance." He said one of the principal reasons life insurance exists is that most people are unable to order their financial life so that their dependents will have something when they are gone. Insurance Commissioner Hobbs was a guest. Arch Horton, president, was in the chair.

Philadelphia.—Although the association is head over heels in work to make the convention of the National association the greatest in history, the new administration is still thinking of the coming year. This week President E. L. Reiley, Penn Mutual, announced his committee chairmen: Agents, T. B. Glading; C. L. U., A. C. Finkbinder; educational,

S. S. Dunning and Theodore Widing; fiduciaries, C. H. Smith; legislative, W. H. Hamilton; managers, M. P. Dickenson; membership, M. R. Wallis; million dollar round table, J. M. Stokes, Jr.; programs and meetings, M. H. Wilner; publications, A. F. Fish; publicity, P. B. Banks; public relations, W. G. Pierce; recreational, E. E. Baruch; supervisors, H. E. Kasche.

Milwaukee.—Returns of the referendum ballot show the following officers were elected: President, F. C. Hughes, Mutual Benefit; vice-presidents, H. C. Fuller, Sr., Northwestern Mutual, and J. M. Sisk, Bankers Life; secretary, H. J. Pearson, John Hancock Mutual, and treasurer, Eugene Meng, Travelers. Two-year directors are: J. J. Kranick, Prudential; Alfred Perego, Northwestern Mutual; Leslie Eaton, Massachusetts Protective; Edward Green, Metropolitan; Lloyd Roberts, Mutual Life; Jack Nussbaum, Massachusetts Mutual, and Westley Tuttle, Northwestern Mutual. One year directors: Leroy Bond, Equitable Society, retiring president; Frank Engel, Franklin Life; Leonard Mack, Metropolitan; Harold Buckman, Old Line Life; William Quinn, National of Vermont; Garvin Morey, Guardian Life, and Walter Weissinger, New York Life.

Hartford.—W. W. Hartshorn, Metropolitan, has been appointed chairman of the committee on C. L. U. activities. W. L. Camp, editor Connecticut Mutual, is chairman of the publicity committee.

San Antonio, Tex.—The association went on record as favoring Gale Johnston, Metropolitan Life, St. Louis, for trustee of the National association.

With Jesse N. Fletcher as chairman and Milton Fischer, Bruce Veazey and H. L. Bridgman as participants, a panel discussion on "Proper Prospecting" was held.

Dallas.—A policyholders' service bureau has been organized in charge of Harry M. Roberts to provide life insurance policyowners with facilities for qualified and impartial advice and assistance with their insurance problems.

Wichita Falls, Tex.—J. B. Baumann, Pacific Mutual Life, Houston, president of the Texas association, spoke on the "Importance of Life Underwriters." "With the trend of economic conditions which is upward because of the national defense program, families will be looking to life insurance security as the best defense for a continued good life," he said.

Butler Wakefield, immediate past president, presented Bert Ripley, newly elected president, a plaque.

Sweetwater, Tex.—Temporary officers for the association which is in the process of organization are: President, R. E. Amos; secretary, Cliff Boswell; treasurer, J. H. Boothe; directors, J. C. Jenkins, J. W. Cole, W. J. Roberts and C. C. Tarver.

ACTUARIES

CALIFORNIA

Barrett N. Coates Carl E. Herfurth
COATES & HERFURTH
CONSULTING ACTUARIES
422 Market Street 437 S. Hill Street
SAN FRANCISCO LOS ANGELES

ILLINOIS

WALTER C. GREEN

Consulting Actuary
Franklin 2833

811 W. Wacker Drive, Chicago

DONALD F. CAMPBELL and DONALD F. CAMPBELL, JR.

Consulting Actuaries
100 N. La Salle St. Chicago, Illinois
Telephone State 1336

HARRY S. TRESSEL

Certified Public Accountant and
Actuary
10 S. La Salle St., Chicago

Associates
M. Wolfman, A. A. I. A. Franklin 6896
N. A. Moscovitch, Ph. D.
L. J. Lally

INDIANA

Haight, Davis & Haight, Inc.

Consulting Actuaries
FRANK J. HAIGHT, President
Indianapolis—Omaha

HARRY C. MARVIN

Consulting Actuary
221 E. Ohio St.
INDIANAPOLIS, INDIANA

NEW YORK

Established in 1885 by David Parks Fackler
FACKLER & COMPANY
Consulting Actuaries

Edward B. Fackler Robert D. Helman
8 West 40th Street New York City

Consulting Actuaries
Auditors and Accountants

S. H. and Lee J. Wolfe

Lee J. Wolfe
William M. Corcoran
Joseph Linder
116 John Street, New York, N. Y.

PENNSYLVANIA

FRANK M. SPEAKMAN CONSULTING ACTUARY

Associates
Fred E. Swartz, C. P. A.
E. P. Higgins
THE BOURSE PHILADELPHIA

THE MANUFACTURERS

Geared to Modern Conditions

A WIDE range of contracts is provided by the Manufacturers Life to meet every type of Life Insurance need.

This Company's ability to meet modern economic and social demands is the result of its financial strength and accumulated experience of more than half a century.

INSURANCE IN FORCE, 590 MILLION DOLLARS
(Including Deferred Annuities)
ASSETS, 177½ MILLION DOLLARS

LIFE

INSURANCE COMPANY
HEAD OFFICE
TORONTO, CANADA
Established 1887

(CONTINUED FROM PAGE 3)

G & H

I, J & K

L & M

N. O & P

O & R

2

T, V, W & Y

PURE PROTECTION
LOW COST
LIFE INSURANCE

Ten East Pearson Street, Chicago

PROVIDENT

epi mar

80 YEARS OF SERVICE

A MUTUAL COMPANY
ESTABLISHED 1860

LEGAL RESERVE FRATERNALS

Royal Neighbors Campaign Produces Over \$10,000,000

More than \$10,190,635 insurance was issued by Royal Neighbors in the "prize letter" membership campaign which ran Sept. 1- June 30. The total was \$2,025,635 greater than the quota of \$8,165,000. The campaign also received impetus from the new forms of adult and juvenile certificates which the society recently issued. Production indicates these plans are meeting with public approval.

Twenty-two states surpassed quotas and highly satisfactory volume was secured in other states. Illinois reported \$1,950,160, almost double its quota of \$1,000,000, and Alabama more than doubled its quota. The second largest amount, \$636,610, was written in Nebraska and North Dakota ranked third with \$624,360. Other states exceeding quotas were Iowa, Kansas, Missouri, California, Wisconsin, Minnesota, Pennsylvania, Michigan, Colorado, South Dakota, New York, Florida, Montana, Wyoming, Idaho, Arkansas, Maryland, and Connecticut.

Adult insurance issued amounted to \$6,108,115 and juvenile \$4,082,520, the number of adult certificates issued being 8,802 and juvenile 10,424.

A juvenile baseball campaign is in progress, to end Aug. 31. A total of 1,677 juvenile certificates was issued in June.

Plans are being prepared for an "insurance umbrella" membership campaign to run Sept. 1-June 30.

Boys of Woodcraft Drive Staged by W.O.W., Omaha

A Boys of Woodcraft campaign is being conducted by Woodmen of the World, Omaha, from July 15 to Aug. 31. This is in honor of the W.O.W. juvenile organization of that name which trains boys in the principles and practices of woodcraft, fundamentals of brotherhood and Americanism. W.O.W. during the campaign will present to all new members, eight years of age and over, a Boys of Woodcraft pin, and to those under eight, a juvenile pin. Every Boys of Woodcraft camp for which 20 new applications are received during the campaign will receive an American flag complete with staff and base, and in addition, when \$20,000 new juvenile protection is completed for any camp, 16 axes and 17 uniform caps for the degree team.

Catholic Knights Meet in Wisconsin

MILWAUKEE.—H. L. Ekern, former Wisconsin insurance commissioner, spoke at the annual convention of the Catholic Knights of Wisconsin here. He paid tribute to life companies and fraternal for their stability and security afforded policyholders and members.

More than 200 delegates from all parts of the state attended. Joseph Walsh of Potosi, Wis., was elected president to succeed Joseph Fiedler; Nicholas Heintz of Milwaukee, vice-president; Edward Jacobs, of Beaver Dam, treasurer, and J. M. Callahan of Milwaukee, first elected in 1890, was reelected secretary.

Arrange for Fraternal Day

MILWAUKEE.—The Milwaukee Fraternal Congress sponsored a basket picnic at State Fair Park, and is arranging for Fraternal Day at the State Fair on Aug. 21, it is announced by Otto Werkmaster, Modern Woodmen of America, president.

Thompson on Housing Commission

DETROIT.—E. W. Thompson, supreme commander of the Maccabees, has been appointed a member of the Detroit housing commission by Mayor E. J. Jeffries, who has been counsel for the Maccabees for 10 years.

Abrahams, Security Benefit Secretary, Dies in Sleep

John V. Abrahams, secretary of Security Benefit of Topeka, died this week in his sleep at the age of 72 years. He had been operated on twice for intestinal obstructions which were supposed to have resulted from undulant fever he suffered several years ago. A blood transfusion was resorted to after the second operation and Mr. Abrahams was supposed to be well along toward full recovery.

He had been active in the society for about 45 years and had been secretary since 1908 and member of the executive committee. He was reelected to the post at the recent convention in Denver although he was unable to attend, being in the hospital.

Mr. Abrahams had planned to attend the annual meeting of the National Fraternal Congress in Baltimore near the end of this month. He was chairman of the N.F.C. committee on security valuations and a member of the executive committee, also being past president of the secretaries section.

J. H. Abrahams, a son, is a member of the society's investment department. Arthur W. Fulton of Chicago, Security Benefit counsel, and other society leaders in a number of states attended the services held in Topeka Thursday.

RECORDS

Union Central—Union Central applications for life insurance in July exceeded those of a year ago by 17 percent and on a paid for basis by 19 percent. Total business, including annuities, showed an increase, although annuity business experienced a substantial drop. Total applications were \$9,888,218 as compared with \$9,594,036 a year previously and total paid for was \$6,295,440, compared with \$6,209,114 a year ago.

Union Mutual—Paid business for the first seven months increased 24 percent over last year and nearly 300 percent over 1935. July paid-for figures are the highest in its history for that month, with a gain of more than 100 percent.

Ohio State Life—Paid life business in July was 40 percent greater than in July, 1939. The July increase in business in force was the largest of the year. Accident premiums the first seven months were up 37 percent.

California-Western States Life—New written business increased 52 percent in July. The San Antonio agency, paying tribute to Manager W. A. Gamble in his birthday month, led in new submitted business, and was accorded the title of honor agency for the third time this year.

Farm Bureau Life, O.—Production for the first half of 1940 was \$6,566,159 as compared with \$10,399,619 for all of 1939.

State Mutual—The gains shown so far this year increased in July, when the company paid for 64.08 percent more business than in July, 1939. The gain in paid business through July increased to 26.51 percent. The month's leader was G. F. Robjant, whose office paid for more than twice as much business as during last July, when he also doubled his 1938 volume. He was followed in order by General Agent J. C. Caperton of Chicago, who leads all agencies for the first seven months in paid business. The G. H. Young Agency, New York City, took third place for the month and second for the year-to-date. Mr. Young's office was followed by the Buffalo and St. Louis offices.

The State Mutual policyholders months campaign being staged in July and August, which has set up a big

increase in policyholder business, is responsible for much of July's gain.

National Life of Vermont—July business was the best in 10 years, amounting to \$4,499,326, an increase of more than 50 percent over July, 1939. The first seven months showed a 13.78 percent gain. July showed a \$2,044,751 increase in insurance in force, bringing the increase for the first seven months to \$10,216,043.

Pilot Life—July sales for the ordinary department of more than \$2,800,000 were the second largest for any one month in history.

Insurance in force has gained every month during the last 18 and amounts to more than \$141,500,000, an all-time high. The gain through the first seven months of this year is 10 percent in excess of the gain for the same period last year.

Reliance Life—A gain of 4.1 percent in new life paid for is shown in the first seven months. The volume totals \$31,093,255. Last month \$4,176,459 of new life insurance was paid for representing an increase of 12.8 percent compared with July, 1939. The sale of accident and health insurance also is holding up well. With increases every month, the life insurance in force is rapidly approaching the half-billion mark. At the close of July the figure was \$496,146,789.

Home Life—Business for the first seven months is 12.1 percent ahead of the same period for 1939. July showed a 12.9 percent increase over July, 1939, and was the sixth consecutive plus month in 1940. New business paid for in July showed a 25 percent gain over the five year average. New business paid for in the first seven months of 1940 showed a 20 percent increase over the average of the first seven months for the five years from 1935 to 1939 inclusive.

Columbus Mutual Life—During June production was 6 percent in excess of that during June, 1939; during July production was 40 percent above that for July, 1939.

A. F. Haas, Pittsburgh agency of Mutual Life—Paid-for business for the first seven months of 1940 was 10 percent greater than that for the same period in 1939. There was a gain of 20 percent in number of new applications.

Companies Watching the Younger Men

(CONTINUED FROM PAGE 1)

the inspection report shows that the applicant's reading is strongly slanted toward aviation. Perhaps there is merely an indication of an unusually adventurous spirit, for it is this type of lad who is likely to become fascinated with the idea of joining up with the R.A.F.

More Truthful on Aviation

The companies feel fairly safe in taking the statements of the applicant and the findings of the inspectors. It is usually safe to figure that most applicants are honest and for some reason

there appears to be less of a tendency to lie about aviation activities than on matters of health. One reason for this may be that the applicant does not believe he is going to die because of poor health and hence is not concerned about cutting a few corners in his answers. On the other hand he realizes that there is a possibility of getting killed in an airplane accident and he would rather tell the truth and take no chances on possible complications for his beneficiary. Another angle is that it is easier to prove misstatements about aviation activities than about health.

Ordinarily the amount of flying over commercial air lines has no bearing on the applicant's acceptability except where the applicant's business is of such a nature that there is a possibility of its deciding to operate its own planes. Even this would not matter if there were any assurance that these company-operated services would be of the high quality, for example, of the Standard Oil of New Jersey, which operates planes for its key personnel in order to save time.

The speeding up of manufacturing activities in connection with the national defense program makes the possibility greater that plants will find it advisable to use airplanes to transport their officers and personnel.

Salomon Named Nelson Aid

Sidney Salomon, Jr., has been appointed associate manager of the M. A. Nelson agency of Equitable Society in St. Louis.

Mr. Salomon became associated with Equitable on his graduation from the Culver Military Academy in 1929. He ranked fourth among the producers for Equitable in 1939 and for the first six months of 1940 was leading the entire agency force. Although Mr. Salomon is just 30 years of age, he last year completed the necessary three consecutive years to qualify as a life member of the Million Dollar Round Table.

Mr. Salomon is one of St. Louis' outstanding amateur golfers. He competed recently in the St. Paul and Milwaukee open golf championships and the Chicago district golf tournament.

E. O. Burget, president of Peoples Life of Frankfort, Ind., is one of the directors of Secured Underwriters, Inc., and Secured Fire & Marine of Indianapolis. Secured Underwriters is the fiscal agency through which funds are being raised for the formation of the fire insurance company. Another director is W. A. Watts, who was president of the old Preferred Life of Grand Rapids, Mich., and the old Merchants Life of Des Moines.

The A. O. U. W. of North Dakota

THE PIONEER OF FRATERNAL
LEGAL RESERVE SOCIETIES

Provides All Popular Forms of
Life and Disability Insurance

A True Fraternal and a Mutual
Life Insurance Association

Home Office—Fargo, N. D.



A Legal Reserve Fraternal Life Ins. Society
309 W. Jackson Blvd., Chicago

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1898

A Legal Reserve Fraternal Benefit Society

Bina West Miller
Supreme President

Frances D. Partridge
Supreme Secretary

Port Huron, Michigan

NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

Lower Net Cost Term Plans Issued by Bankers, Ia.

Bankers Life of Iowa has lowered the rates and increased the dividends on its 5 and 10 year term policies, thus making these among the lowest net cost policies of their type. For the last 10 years the general tendency has been to increase premium rates and decrease dividends, therefore, the Bankers Life action is a direct reversal of this trend.

The greatest decrease in most types of contracts occurs at the older ages, but the savings are substantial even at younger ages. The saving on \$10,000, 10 year term at age 35 is \$6.90, age 45, \$8.70; age 55, \$13.70, and on \$10,000 five year term at age 35 is \$7.50; age 45, \$8.90; age 55, \$12.20. This showing is made up of the rate reduction and increased dividends. The actual decrease in premium rates amounts, in the \$10,000, 10 year term group: age 35 \$6.60; 45, \$8; 55, \$11.10; \$10,000 five year term age 35, \$5.60; 45, \$5.40; 50, \$6.80. The new rates and dividends are:

| Annual Premium Rates | | | | | |
|----------------------|---------|---------|---------|---------|---------|
| Age | 5 T. | 10 T. | Age | 5 T. | 10 T. |
| 20..... | \$ 9.32 | \$ 8.46 | 41..... | \$13.33 | \$14.35 |
| 21..... | 9.42 | 8.56 | 42..... | 13.77 | 14.93 |
| 22..... | 9.53 | 8.67 | 43..... | 14.25 | 15.59 |
| 23..... | 9.63 | 8.79 | 44..... | 14.79 | 16.32 |
| 24..... | 9.74 | 8.91 | 45..... | 15.40 | 17.14 |
| 25..... | 9.86 | 9.05 | 46..... | 16.09 | 18.07 |
| 26..... | 9.98 | 9.18 | 47..... | 16.88 | 19.11 |
| 27..... | 10.10 | 9.33 | 48..... | 17.77 | 20.27 |
| 28..... | 10.24 | 9.48 | 49..... | 18.78 | 21.58 |
| 29..... | 10.38 | 9.65 | 50..... | 19.90 | 22.07 |
| 30..... | 10.53 | 9.83 | 51..... | 21.16 | 24.64 |
| 31..... | 10.69 | 11.02 | 52..... | 22.56 | 26.43 |
| 32..... | 10.86 | 11.23 | 53..... | 24.12 | 28.42 |
| 33..... | 11.04 | 11.45 | 54..... | 25.87 | 30.63 |
| 34..... | 11.25 | 11.69 | 55..... | 27.80 | 33.07 |
| 35..... | 11.46 | 11.96 | 56..... | 29.96 | 35.79 |
| 36..... | 11.71 | 12.27 | 57..... | 32.35 | 38.78 |
| 37..... | 11.98 | 12.60 | 58..... | 35.01 | 42.09 |
| 38..... | 12.28 | 12.98 | 59..... | 37.96 | 45.75 |
| 39..... | 12.60 | 13.39 | 60..... | 41.22 | 49.80 |
| 40..... | 12.95 | 13.84 | | | |

| Dividends | | | | | |
|-----------|---------|---------|---------|---------|---------|
| Age | 5 T. | 10 T. | Age | 5 T. | 10 T. |
| 20..... | \$ 1.90 | \$ 2.27 | 41..... | \$ 2.34 | \$ 2.74 |
| 21..... | 1.96 | 2.31 | 42..... | 2.38 | 2.79 |
| 22..... | 2.03 | 2.35 | 43..... | 2.42 | 2.85 |
| 23..... | 2.10 | 2.40 | 44..... | 2.46 | 2.91 |
| 24..... | 2.15 | 2.43 | 45..... | 2.51 | 2.96 |
| 25..... | 2.20 | 2.46 | 46..... | 2.54 | 3.04 |
| 26..... | 2.22 | 2.48 | 47..... | 2.58 | 3.11 |
| 27..... | 2.24 | 2.50 | 48..... | 2.62 | 3.19 |
| 28..... | 2.23 | 2.50 | 49..... | 2.67 | 3.27 |
| 29..... | 2.24 | 2.51 | 50..... | 2.72 | 3.36 |
| 30..... | 2.24 | 2.53 | 51..... | 2.78 | 3.45 |
| 31..... | 2.24 | 2.53 | 52..... | 2.84 | 3.55 |
| 32..... | 2.25 | 2.54 | 53..... | 2.90 | 3.66 |
| 33..... | 2.26 | 2.54 | 54..... | 2.96 | 3.78 |
| 34..... | 2.27 | 2.55 | 55..... | 3.03 | 3.93 |
| 35..... | 2.27 | 2.57 | 56..... | 3.09 | 4.12 |
| 36..... | 2.29 | 2.59 | 57..... | 3.14 | 4.33 |
| 37..... | 2.30 | 2.61 | 58..... | 3.18 | 4.59 |
| 38..... | 2.30 | 2.64 | 59..... | 3.27 | 4.93 |
| 39..... | 2.31 | 2.68 | 60..... | 3.40 | 5.37 |
| 40..... | 2.32 | 2.70 | | | |

Enters Family Income Ranks

Volunteer State Life has joined the increasing ranks of companies issuing the so-called family income policy. Announcement of the Volunteer State's plan was made at its agency convention in Chattanooga this week. The insurance is on the 20-payment endowment at 85 plan. The rules are comparable to those of other companies in the field but Volunteer State extends the opportunity to write this form to agencies, as a privilege. Those agencies with average persistency rate over 65 percent for the first six months of 1940 will have the privilege of writing the family plan until Jan. 31, 1941. Requirements for the fol-

lowing six month period will be based on persistency rates for the last half of 1940. A new agency will have the privilege of writing it so long as its average persistency is over 65 percent.

Acacia Mutual Drops Age Limit from 9 to 5

The age limit of Acacia Mutual has been lowered so that children between ages 5 and 9 can now be insured. Except in states whose laws cause some variation, the maximum amount that will be written on a child's life is \$10,000 and the minimum \$1,000. They will be written on the Acacia preferred risk whole life, 20-payment life, endowment at age 65, and on 10, 15 and 20-year endowments. The minimum amount for the Acacia is \$5,000, the same as under adult policies.

These policies are in full benefit without the usual graded death benefit. It is possible to attach the payor benefit providing for waiver of premium in event of the disability or death of parent, or person responsible for premium payments. Under this provision, premiums are waived from the date of death or disability of the parent until the anniversary of the policy nearest the child's 21st birthday. In cases of disability, the occurrence must be prior to the parent's sixtieth birthday, or if a female, prior to age 55.

While the insurance on the life of a child requires medical examination, the payor benefit will be handled on a non-medical basis. The premium for this benefit varies with the age of the parent, the age of the child, and plan of insurance. Premiums quoted herewith are for insurance on the life of the child only.

| Age | Acacia 20 Pref. Pay Risk Life | 20 Year End. | 15 Year End. | 10 Year End. | End. Age 65 |
|-----|-------------------------------------|--------------------|--------------------|--------------------|-------------------|
| 5 | \$11.53 \$21.24 | \$42.95 | \$60.27 | \$94.18 | \$13.55 |
| 6 | 11.55 21.25 | 42.74 | 60.02 | 93.89 | 13.63 |
| 7 | 11.64 21.27 | 42.63 | 59.89 | 93.73 | 13.78 |
| 8 | 11.78 21.43 | 42.59 | 59.83 | 93.66 | 14.14 |
| 9 | 12.09 21.64 | 42.59 | 59.84 | 93.66 | 14.41 |

Lamar Life Bringing Out Family Income Readjustment

Lamar Life has brought out a family income readjustment policy. This new contract was described at the annual agents' convention held recently in Colorado Springs. The policy provides immediate cash payment of \$500 at death and \$100 a month for the first year and \$50 monthly for the second year to the beneficiary. There is also an old age income for the insured which he can take at age 65.

This is an ordinary life, endowment at age 85 contract. It was designed to provide a practical, gradual readjustment for the family in the two years following the death of the head, so the

readjustment of the scale of living can be gradual rather than abrupt.

The face amount of the unit described is \$2,247. Monthly income payments start one month after the date of the \$500 cash payment. Double indemnity or double indemnity and dismemberment will be added to the contract at extra premium rates, and also the premium waiver benefit will be granted, but not to women beyond age 45.

Jansen Heads International Union

MILWAUKEE.—The International Union of Life Insurance Agents has announced the results of its referendum ballot for new officers. Marvin C. Jansen, Racine, is president, succeeding Joseph Simon, West Allis, Wis., Ray E. Ross, West Allis, is vice-president; Frank Haber, Milwaukee, recording secretary; Garnet Sanders, Milwaukee, financial secretary, and Elmer Knorr, Racine, treasurer. These officers will be installed at the September meeting of Milwaukee Local No. 1. The six locals located in Milwaukee, Racine, Kenosha, La Crosse, Madison and Sheboygan, Wis., will be represented. The organization is an independent labor union, without AFL or CIO affiliation.

To Fete Joseph D. Cassidy

CINCINNATI—Joseph D. Cassidy, superintendent of agencies division C of Western & Southern Life, will be honored at a testimonial dinner tendered him by the company Aug. 10 in observance of his 35th service anniversary. He will become a marshal of the company's legion, senior service organization. C. F. Williams, president, will act as chairman.

Mr. Cassidy joined the company at South Bend, Ind. He later served as manager at Lima, Dayton, and Cincinnati, and was promoted to superintendent of agencies in 1929.

Sales Congress at Jonesboro

The Life & Casualty held a one-day sales congress at Jonesboro, Ark., in charge of Guilford Dudley, Jr., vice-president ordinary department, and C. M. Herron, vice-president industrial department.

The congress was held there in honor of the district winning the Persistency District Quota Cup on the outstanding record made the second quarter of this year. It led all districts the first six months in the ordinary field.

Peoria Outing on Friday

The General Agents & Managers Association of Peoria, Ill., is having a golf match and dinner Friday. William M. Houze, president of the Chicago Life Underwriters Association, will be a guest.

T. A. Lonam Has Resigned

T. A. Lonam of Topeka, who has been head of the agency department of the National Reserve Life of that city, has resigned. He has had considerable experience in midwestern territory. He brought production for the National Reserve up to \$200,000 a month.

Accident and health sales up 20 percent. Get on bandwagon. Send \$1 for six months' subscription to Accident & Health Review, 175 W. Jackson Blvd., Chicago.

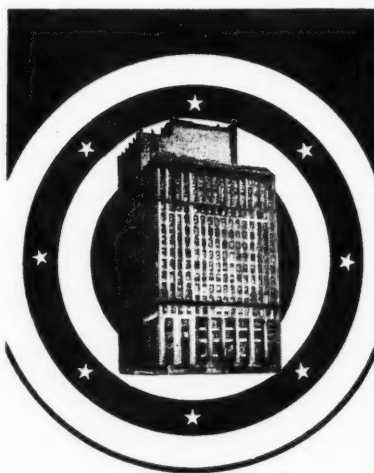
SUCCESS and SECURITY

Liberal Agency Contract . . .
Build Your Own Agency . . .
Diversified Policies
Life, Accident and Health

For contract and territory in Wisconsin, Illinois, Minnesota, Michigan or Indiana, address Agency Manager

WISCONSIN NATIONAL LIFE INSURANCE COMPANY

OSHKOSH, WISCONSIN



General Agency
OPPORTUNITIES
for good personal
producers

THE DOMINION LIFE ASSURANCE COMPANY



Field men of the Dominion Life are backed by the experience and financial strength of a progressive company.

DETROIT
2724-6 Union Guardian Bldg.
F. W. SIMPSON, Manager

LANSING
800-801 Olds Tower Bldg.
ROY C. NOWLIN, Manager

ESTABLISHED 1889 — HEAD OFFICE — WATERLOO — ONTARIO



Sales Ideas and Suggestions

Renewable Term Delusion Pointed out by M. A. Linton

President Linton of the Provident Mutual, in its house organ, "Provident Notes," uses a case that involved his company as illustrating what he calls "the renewable term delusion." He said: "A recent death claim under a 10-year renewable term policy that had been carried by a man from age 37 to age 85—48 years—illustrates again the exceedingly unsatisfactory nature of this type of insurance. The story is eloquently portrayed by the following figures which review the history of the renewable term policy, and, at the same time, show what the outlay would have been had an ordinary life policy been taken out instead. For convenience the figures are shown on a \$10,000 basis, although the policy itself was for a smaller amount."

Comparison Is Made

| | Renewable term | Ordinary life |
|---|----------------|---------------|
| Premium at issue..... | \$ 161 | \$ 283 |
| Average yearly net payment, 1st ten years.. | 117 | 233 |
| 2nd 10 years..... | 163 | 200 |
| 3rd 10 years..... | 308 | 159 |
| 4th 10 years..... | 705 | 105 |
| Last 8 years..... | 1,553 | 153 |
| Total net payments over 48 years..... | \$25,355 | \$8,182 |

"The first reaction to figures like these is 'What was done with the money paid on the term policy?' The answer is that it was used to pay death claims. As is well known, the reserve on term insurance is almost nil. In consequence whenever a death occurs the amount that must be paid out of the mortality fund is practically the full face of the policy. Hence the drain on the mortality fund becomes exceedingly heavy as old age is reached."

Drain on Mortality Fund

"Under a \$10,000 ordinary life policy issued at age 37 on a 3½ percent reserve basis, the reserve at age 65 would be \$4,920; at age 70, \$5,880; and at age 80 \$7,580. Hence the drain on the mortality fund for a death claim at age 80 is \$2,450 under the ordinary life policy as compared with say \$9,000 (depending upon the renewal age) under the renewable term. Moreover, as is well known, the mortality rate under renewable term in the later years is much higher than under ordinary life policies issued at the same time and the same age as the original term policy."

"The difference in the mortality payments under the two plans of insurance, coupled with the interest earned on the ordinary life reserve accumulated out of the larger early year payments, yields the astounding results shown in the preceding table. The actual outlay over the 48-year period under the life policy is less than one-third of that under the term policy and yet each pays the same sum at death. Furthermore in the event of surrender, the term would be worth nothing whereas the life policy would have a cash value of \$8,300—more than the total cost of the policy to date."

Should Convert Term Policies

"This striking example will be valuable in meeting the renewable term argument when it may arise. Also, it can be used with outstanding renewable term policies in our own company. In most cases they should be converted at the earliest possible moment to avoid trouble later on. If the entire amount of the policy can not be converted it may pay to make the conversion to a reduced amount of permanent insurance that will not involve a material increase in the premium over what is being paid under the term policy."

"As you know, the company issued renewable term insurance prior to 1917, when it was discontinued on account of the feared unsatisfactory results which might develop in the future. That this fear was well-grounded is illustrated by the example just analyzed. Out of the original issues of renewable term insurance a few hundred policies still remain in force, and we are anxious to see them changed over to the permanent basis if possible. Renewable term insurance is bound ultimately to be unsatisfactory to everybody concerned, and is especially hard upon the individual who finds his premium rising to prohibitive levels."

Cogent Reasons Are Given for Constructive Weekly Business Production

Cogent reasons for concentration on consecutive weekly production are advanced in a recent issue of the "Emancipator," field magazine of Lincoln National, by D. E. Peavy, Beaumont, Tex.; L. R. Lay, El Paso, Tex., and Bernard King of Butte, Mont., all company sales leaders.

Said Mr. Peavy: "Consecutive weekly production has caused me to prospect continuously. This alone should make the club worth while but it also helps me make my objectives. Consecutive weekly production will take an agent to his company conventions. It will make him more money. It will create enthusiasm and strengthen his courage. It also prevents slumps. Consecutive weekly production cures slumpitis by the expedient method of stopping the disease before it starts."

Said Mr. Lay: "By keeping the question of production constantly before me the consecutive weekly production club has forced me to write more business."

It won't allow me to let down. By stimulating me to the point where I won't let even a tough week go by, it has forced me to make purposeful calls. I can't just stall or talk; I've got to have an app by Saturday. The amount of recognition accorded consecutive weekly production has always puzzled me however. No business or profession could long remain in existence without at least weekly transactions. To be really in the life insurance business you have to produce at least once a week."

Keeps Agents Alert

Said Mr. King: "Consecutive weekly production keeps me alert and gives me something to shoot at. It forces me to select and use successful sales methods. I don't have time to forget a good sales talk. It has caused me to earn larger and more regular commissions. My renewal commissions are virtually uniform throughout the year. By teaching me to be resourceful and successful it has brought me prestige—in my own eyes and in the eyes of my friends."

Mr. Peavy has a standing of 972 weeks in the consecutive weekly production club; Mr. Lay, 783 weeks; Mr. King, 75.

Makes Telephone Appointments

In 17 days Harry P. Trevathan, Mutual Benefit Life, Charlotte, N. C., made 137 telephone calls and made 50 definite appointments by using the following approach:

"Mr. Blank, this is Harry Trevathan of the Mutual Benefit Life Insurance Company."

"I realize that you are usually pretty busy, and I have no desire to interrupt you when you are busiest. Therefore, I am calling you by phone for a few minutes' appointment rather than making a personal call, as I wanted to observe that business courtesy."

"I would like to see you at a mutually convenient time. The purpose of my call is to show you the type of work we do."

"Would it be better to see you Monday afternoon or Tuesday morning?"

SALES SHORTS

The advantage which a widow gains by leaving her husband's insurance money under the interest income option is pointed out by the Massachusetts Mutual Life. Under a model investment plan for a widow with \$100,000 determined by a prize contest staged by "Barron's Financial Weekly" in 1925, a schedule of stock and bond investments was set up totaling \$97,200. Today the market value of those investments is \$81,300, a \$16,000 loss in principal. The yield from these investments as compared to what would have been received under Massachusetts Mutual's interest option "D" was:

| Year | From Stocks and Bonds | From Interest Option |
|------------|-----------------------|----------------------|
| 1925 | \$4,865 | \$4,860 |
| 1929 | 5,771 | 4,860 |
| 1933 | 3,326 | 4,860 |
| 1939 | 2,952 | 3,499 |

Furthermore, the principal under the settlement option remains intact and under such a contract issued in 1925 the annual income would never have been below \$2,916 (3 percent guaranteed).

"As you advance your prospecting technique you increase your sales per prospect, and you make big prospects out of little ones. You multiply your commission income, your value to your company and to yourself"—T. W. Foley, State Mutual, New York.

Expect 150 at Teachers Meeting

More than 150 members of the American Association of University Teachers of Insurance will attend its meeting at the University of Chicago in December in connection with the celebration of the university's 50th anniversary.

Los Angeles Millionaires Meet

LOS ANGELES—Southern California Quarter Million Dollar Round Table had the first meeting, since its organization, July 31, and elected G. P. Quigley, supervisor of the Los Angeles agency Fidelity Mutual Life as chairman of the executive committee, and these two other members: G. W. Page, California-Western States Life and R. C. Nelson.

Southwestern's Training Course

More than 20 Southwestern Life agents attended a special training course at Houston. The courses were part of the intensive training schedule for agents inaugurated in January. The "students" came from Houston and Beaumont territory. C. E. O'Donnell, president, and Richard R. Lee, vice-president, were in attendance.

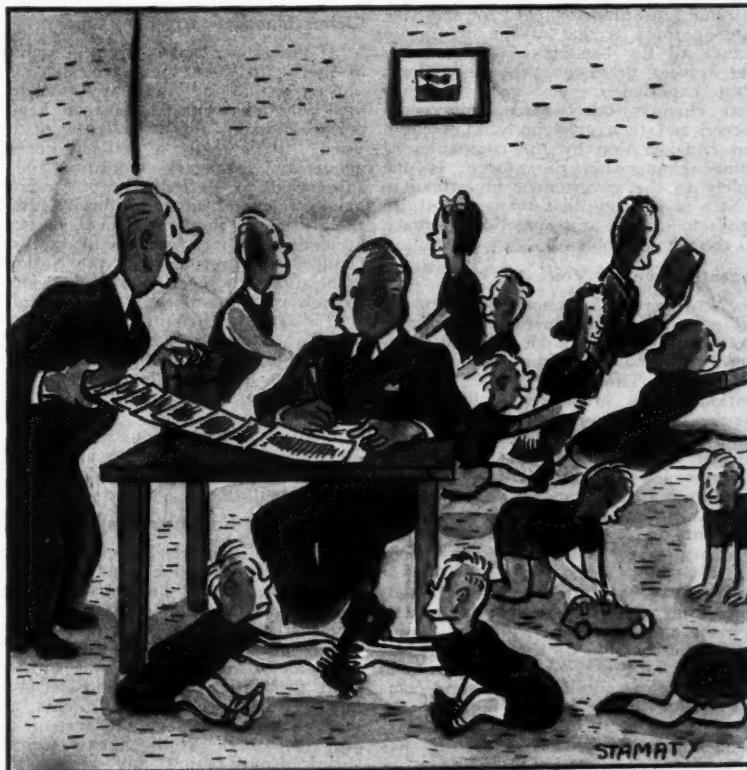
Canadian Meeting Canceled

Owing to war conditions, the convention of the Association of Superintendents of Insurance of the Provinces of Canada has been called off. It was set for Sept. 16 at Saskatoon, Sask.

Hays & Bradstreet, general agents New England Mutual Life, Los Angeles, held a housewarming in their new offices on the 12th floor of the Edwards & Wiley building.

Percy G. Gibson, Wichita manager Mutual Life of New York, addressed the Wichita Optimist Club on "Wheels of Progress."

The Insurance Institute of America has awarded a prize of \$20 to Mary C. Lannigan of the Guardian Life head office for the highest average in the examination, hers being 89 percent in the Life No. 1 course.



Say When.

Volunteer State's New Force Is Shown

(CONTINUED FROM PAGE 3)

(19); J. S. Stone, Timsonville, S. C. (15); G. B. Stackhouse, Mullins, S. C. (15); H. M. Piper, Bristol, Tenn. (14); J. W. King, San Antonio (14); D. E. Brumit, Bristol, Tenn. (12) and W. H. Stevenson, Columbia, S. C. (11).

Place of Southern Companies

Mr. Wood commented on the fact that Z. Carter Patten, Jr., son of the founder of the company is a director, and that the founder served as an officer for 22 years without salary. He explained that Mr. Patten, Jr., his son, and a small group of Chattanooga business men hold the controlling interest in the company and practically all of the stock. Discussing the outlook for southern companies, Mr. Woods said that southerners purchased 25 percent of the life insurance sold in the United States last year, and that nearly 60 percent of what they bought was in southern companies.

J. Burton Frierson, Jr., vice-president of the Dixie Mercantile Co. of Chattanooga, and a director of Volunteer, spoke briefly. Secretary J. E. Donovan discussed the importance of details in handling and renewing business. Actuary A. E. Archibald explained the features of the company's new family policy. It will be issued from ages 0 to 54 on the 20 payment endowment at 85 plan, minimum policy \$1,500. The minimum on the purchaser is \$1,000, and on one life \$500. Non-medical rules will apply.

Low Yield Creates Problem

Robert F. Evans, vice-president and treasurer, analyzed the Volunteer's 1939 financial operations. He outlined in detail the investment set-up. Referring to the low interest return on sound investments, Mr. Evans said that if it continues Volunteer will be compelled to follow the lead of Aetna and Travelers and increase premium rates. He said that under present conditions Volunteer cannot continue to earn 4 percent on its assets. He said that he does not regard young men from 21 to 31 as good prospects because of the possibility of their being drawn into military service, and predicted heavy terminations from men in this age group if war is declared and they are able to purchase \$10,000 of government insurance.

Agency Vice-president A. Howard Blanton brought the first session to a close by awarding pins to the 16 members of the \$100,000 Circle Club, and the four who achieved membership in the \$250,000 club. These four and their production totals were: W. H. Stevenson, manager, Columbia S. C., \$392,632; Fred J. Stancliff, manager, Houston, \$331,333; T. M. Divine, manager, Chattanooga, \$287,900 (nine months), and J. W. King, manager San Antonio, \$268,750.

The afternoons were devoted to recreation. On Monday there was a sight-seeing tour to Missionary Ridge, and Chickamauga Park, Lake and Dam. Tuesday afternoon there was a ladies tea at which Mrs. Woods was hostess, and a men's smoker, and on the final afternoon a home office reception.

Blanton in the Chair

Agency Vice-president Blanton served as chairman at Tuesday's business session. He announced that as of Aug. 5 of last year the Volunteer had paid for \$5,347,309, and that to Aug. 5 of this year the field force had produced paid business of \$5,761,042, a gain of \$413,733. H. J. Burridge of THE NATIONAL UNDERWRITER was the first speaker, and was followed by W. H. Stevenson, manager at Columbia, S. C., who outlined the pre-arranged plans he uses. L. T. Bates, Atlanta manager, spoke on controlling the interview.

The feature of the session was the

moving talk of C. C. Day, general agent of the Pacific Mutual at Oklahoma City. Mr. Day was in especially good form, and roused his audience to a high pitch of emotion and enthusiasm. President Cecil Woods was the toastmaster at the banquet at which the speaker was Dr. Gus Dyer, professor of economics at Vanderbilt University.

Dr. Steele Presided

Dr. John B. Steele, medical director, was in charge of the final business session at which the chief speaker was J. M. McCormack, insurance commissioner of Tennessee. Mr. Blanton outlined the sales advantages of the new

family policy, emphasizing especially that it is not a substitute for industrial. He said the Volunteer State had the largest average policy last year of any southern company, and that the family policy is intended to increase the size of the average policy, not lower it. The greatest opportunities for business with the new policy will be on the salary savings plan, Mr. Blanton said.

Other speakers at the last session were T. W. Barron, manager at Nashville; C. G. Hall, manager at Port Arthur, Tex.; F. J. Stancliff, Houston, Tex., manager and President Cecil Woods who summarized the convention talks. The gathering concluded with a home office reception.

Boston Agent Comments on Defects

(CONTINUED FROM PAGE 2)

of \$1,000. It provides small comfort when you look about at the tragedy of men grown old in the business. Another states that the objection to including agents in social security is not the company contribution for pensions but the substantial cost of the unemployment compensation tax which must be paid. This would be a better argument if the companies created pension plans to which they were contributing an amount corresponding to the employer's tax for old age pensions under social security. They have had four years' time to prove sincerity on that point.

Should Change the Law

"Some executives say that the New York laws do not permit pensions for agents. Yet there is no evidence of a sincere request for legislation to change the law on this account, assuming the law needs changing. New laws are requested by the companies frequently on other matters. Does any one seriously believe that legislation to assure pensions to agents would be rejected if the companies wanted it?"

"And so the net result is that the companies not only provide no pension plan for him but make it impossible for the agent to have the benefits of social security for himself, or the valuable survivorship benefits for his wife and children. Agents have been trained to distinguish between excuses and reasons, and have little difficulty in properly classifying the arguments against a pension plan. They recognize that the attitude of management toward the agency force is that of the man, who wants all the benefits of married life but refuses to assume the obligations. Past experience gives good evidence that changes takes place only when forced and then grudgingly. The present consideration by the companies of minor changes in the system is due solely to the government investigation. There is no sign that management intends to make a statesmanlike approach to the whole problem.

Agents Have No Voice

"Now here is an anomalous fact. Of all occupations in America that of the agent is the most voluble. Would it occur to you to accuse him of being inarticulate? Then why is it that in a nation where bricklayers and factory workers insist on basic standards, a semi-professional group like agents have literally no voice in the creation or maintenance of the standards of their occupation? Perhaps management is justified in its attitude, on the principle that if agents aren't excited about the agency systems, why should the home offices get high blood pressure?"

"We have a National Association of Life Underwriters presumably representing the agents of America and containing a membership of about 30,000. But a search of the records for years will fail to disclose any determined and comprehensive program to eliminate the weaknesses of the agency system. Astonishing as it is, the association has never faced the situation squarely and has been merely shadow boxing on occasional details.

"Never has there been a definition of the real status of the agent. Does he have a job, is he in a trade, or does he practice a profession? Is the agent really an agent or is he truly an independent contractor, or has he been placed in a special fudgy status which enables management to fish or cut bait as suits its purpose?"

"Is the association a fraternity, a trade union, a trade association, or a professional group? Isn't it time to decide? If agents are independent contractors the association ought to be a professional group. Yet, can you imagine the bar association or the medical association tolerating corresponding abuses in their professions? Why is it that the association has never demanded of management that the evils of the agency system be eradicated?"

Questions Are Asked

"Why is it that it permits management to unceasingly obliterate the labored efforts of career agents to build public respect? Why has the association not created its own program for a sound system of compensation, pensions, and field practices and placed it in front of management? When has the association ever pinned back the ears of an executive or a company whose methods degrade us in the public mind? Why does the association make it its primary business to rush to the defense of an indefensible agency system even when it is the interest of the agent that the system be changed?"

Claims Managers Are the Force

"If the proper test is the real welfare of the agent, then the regrettable conclusion is that the National Association of Life Underwriters is not an agents organization in the true sense of the word. It is really a national general agents and managers association and is subservient to the influence of the companies. General agents naturally reflect the attitude of the home offices. It is no accident that for years, with rare exceptions, the presidency of the National association has been a stepping stone to high executive office in the companies.

"This fact is a tribute to the character of the men who have been prominent in association affairs and I want it understood that the criticism here offered is of a system and not of individuals, whether in home offices or in the field. Actually, I yield to no one in my respect for the integrity of the great majority of men and women in all departments of our institution.

Agent is the Forgotten Man

"The fact remains, however, that the agent is the forgotten man. It is true that good work in his behalf is being done in the way of fraternization, inspiration and education, but these are of secondary importance to the basic problem of his welfare, and on that score the National association has failed him. Even those general agents and managers who deplore the system and are sympathetic to the agents welfare, shrink from taking any open stand which will be distasteful to the company executives. General agents and man-

STOCKS

H. W. Cornelius of Bacon Whipple & Co., 135 South La Salle street, Chicago, gives the following stock quotations for life companies as of Aug. 6:

| | Par | Div. | Bid | Asked |
|-------------------|------|-------|--------|--------|
| Aetna Life | 10 | 1.40* | 28 1/2 | 30 1/2 |
| Cent. States Life | 5 | ... | 1 1/4 | 2 |
| Colum. Nat. L. | 100 | ... | 68 | 72 |
| Conn. Genl. | 10 | .80 | 25 1/2 | 27 1/2 |
| Contl. Assurance | 10 | 2.00 | 35 | 38 |
| Great South. L. | 10 | 1.30 | 18 | 20 |
| Kan. City Life | 100 | 16.00 | 370 | 410 |
| Life & Cas. | 3 | .50 | 10 | 11 |
| Lincoln Nat. | 10 | 1.40* | 27 1/2 | 30 |
| New World Life | 10 | .30 | 4 | 5 |
| N. W. Natl. Life | 7.50 | .30 | 11 1/2 | 12 1/2 |
| Ohio Natl. Life | 10 | 1.25 | 25 | 27 |
| Old Line Life | 10 | .60 | 9 1/2 | 11 |
| Sun Life, Can. | 100 | 15.00 | 170 | 206 |
| Travelers | 100 | 16.00 | 405 | 415 |
| Union Cent. Life | 20 | 1.20 | 21 | 25 |
| Wis. National | 10 | 1.00 | 16 | 18 |

*Includes extras.

gers deny this statement and in some cases resent it, but it is a fact nevertheless. It explains why the National association is a fatal barrier to the improvement of the system. The agent is Prometheus in chains, or Samson shorn of his strength. And there is little hope as long as his only medium for organized expression is under the control of general agents and managers.

How About the C.L.U.?

"Where does the National Chapter of Chartered Life Underwriters stand on this problem? Isn't it time to abandon our self-intoxication over our superiority and to climb down from our ivory tower to the real arena where the vital issues must be fought out? Is there any better program for the C.L.U. chapters? After all, what other worthwhile purpose do we serve? We are not an alumni organization, for you can't build college spirit in three days of examinations; nor is there enough cohesion to be gained from the incidental encouragement of C.L.U. education. The national chapter is furnished for a mission and a program. Here it is readymade, and better than all the boondoggling schemes ever invented—the rescue of the agency system. The problem confronting us has been clearly identified. How shall it be attacked?"

Complete Reorientation Advised

"There must be a complete reorientation on the part of all concerned. As for management, it is confronted with the challenge to approach the agency problem with the same sincerity and statesmanship that it applies to those activities in which it has been so eminently successful.

"As for the National association, it must be overhauled and controlled by general agents and managers eliminated. Its leaders must make the salvaging of the agency system their primary concern. They must be ready to take the initiative themselves instead of waiting for something to happen. It will take vital leadership to solve the problem satisfactorily, and it will take courage. But unless the association is to continue to be an innocuous multiple company union, nothing else will suffice.

"Let us have healthy controversy. Let us insist that only those who have the agents' vital interests at heart shall direct the affairs of the underwriters' organizations. For a life underwriters association should be a life underwriters association. To put it in a nutshell, let us have leadership—courageous, imaginative, and militant."

No Nebraska Ruling Yet

Insurance Director Smrha of Nebraska states that he has issued no rulings as to war clauses in Nebraska following the decision of the Nebraska supreme court in the Republic National Life case. Just what bearing this decision may have will be studied. The department is delaying taking action on a number of war clauses that have been submitted until a decision has been reached as to the provisions of endorsements dealing with military or naval service in time of war.

• RECENT COURT DECISIONS •

Effect of Agreement Extending Time for Payment of Premium

The Kansas supreme court in *Mauck vs. Great American Life* was called upon to determine whether the terms of an agreement for an extension of time made between the company and the policyholder subsequent to the date when the premium became due and payable were controlling as against the statutory requirement of notice to cancel.

Features in the Issue

An annual premium of \$40.01 fell due May 7, 1938, and was unpaid. On May 9, the company sent notice stating that unless payment was made according to the terms of the policy it would be cancelled. It contained a 30-day grace period. On May 10, the policyholder remitted \$10.01 as partial payment. The company submitted for execution a promissory note for the balance and a new agreement. On July 2, the signed note and agreement were returned. In the new contract the company agreed to accept the note and partial payment as a premium payment, provided the note was paid not later than July 7, and the assured agreed that if the note were not paid by July 7, the policy would lapse, that the company should retain the partial payment as part compensation for the privileges granted under the agreement, and further agreed that the company had given all notices required and that in further compensation for the extension of time for payment the policyholder waived any further notice in respect to the premium or the note. No further payment was made and the policyholder died July 13.

Contention of Beneficiary

The beneficiary contended that the notice sent two days after the 30-day period of grace began to run did not comply with the statutory requirement as to notice, and that, therefore, under the statute, the policy was automatically continued in effect until Nov. 7. In the case of policies which by their terms provide for the grace period, a notice sent after the beginning of the grace period does not comply with the statute. Consequently, the notice sent on May 9 was ineffectual.

The real question presented for decision was whether the terms of the new agreement controlled despite the fact that the prior notice did not comply with the statute. The answer to that question depended upon the construction placed upon G. S. 1935, 40-416, which permits insurance companies to enter into agreements of the type here involved. The fact that the pertinent section states that "such agreement shall not impair any right existing under the policy" does not preclude an agreement specifically authorized, for extension of time for payment, conditioned upon lapsing of the policy if payment is not made "as provided in the agreement," the court held.

Misstatements of Medical Treatment Is at Issue

The United States circuit court of appeals, 8th circuit, affirmed the decision of the lower court in favor of the plaintiff in *Harmegnies vs. Phoenix Mutual Life*.

The plaintiff recovered a judgment in the lower court as beneficiary. The company denied liability on the ground that the holder had knowingly and falsely stated in his application that he had not within five years previous been afflicted with or treated for ulcerative colitis, that he had no stomach disorders, but that the ulcerative colitis which he had,

in fact, directly contributed to his death.

The deceased had made two applications for insurance and in the second one stated that he had visited a doctor since he made the first, and that he gave the name of the doctor and referred the company to him. The company's medical director had some correspondence with the doctor and also had additional examinations made, and subsequent thereto the policy was issued. The higher court reviews the medical testimony introduced and considers each of the appellant's assignments of error and concludes that the judgment entered by the lower court in favor of the plaintiff was without error and should be affirmed.

Wife Must Return Policies Which She Seized

The Pennsylvania supreme court in *Geary vs. Geary*, has ordered a wife to surrender policies that she removed from a safe deposit box, unknown to her husband, after the husband and wife had separated.

The wife claimed that as beneficiary under the policies and as her husband's creditor under a support order, she was entitled to retain possession of the policies to protect her rights. The court held that the husband had the sole right to the possession of the policies and that a creditor may not seize possession of the property of his debtor upon the mere apprehension that a fraudulent conveyance of the property in the future is contemplated. The court held that the policies were the separate property of the husband within the meaning of a statute which allowed a husband to sue a wife only in a proceeding for divorce or in a proceeding to recover his separate property.

Two of the policies were in Massachusetts Mutual and one in Metropolitan Life. In addition to seizing the policies, the wife took \$10,000 in cash from the deposit box. She later returned the money.

The policies were not pledged to the wife as security for the husband's obligations, the court pointed out, nor has the wife asserted any facts which would entitle her to such security.

Disability Case Decided

The United States circuit court of appeals for the first circuit affirms the decision of the United States district court for the middle district of Pennsylvania in *Peters vs. Mutual Life of New York*. The plaintiff attempting to recover disability payments for incapacity due to cardiac neurosis introduced in evidence the expert testimony of his family physician who refused to base his opinion on certain specific and enumerated symptoms but volunteered and did base it on the medical history of the case without being asked to give that history. The higher court said that such evidence is purely inadmissible for the facts upon which the opinion is based must be given to the jury so that they may determine whether the conclusions are justified. Having failed to prove the existence of the disability justifying the non-payment of premiums judgment for the defendant was affirmed.

Insurer Wins Presumption Case

A new case on the presumption of death from unexplained absence after seven years has been decided by the court of appeals of Georgia in favor of the company in the case of *Pfenning vs. Life of Virginia*. The court ruled that the presumption is that death occurs at the end of the seven years, and therefore, as the premiums had not been paid, the insurance policy carried by Pfenning had lapsed. The court quoted from the Code of 1933, Section 38-118, "In this state there is a presumption of continuance of life for seven years."

Missouri Case Involved Issue as to Location

The Missouri supreme court decides a case of quashing the record of the lower court in *State ex rel. Equitable Society vs. Allen et al.* Certiorari was brought to quash the record in a case where all the transactions with reference to a life policy were had outside Missouri, and after the liability accrued, an assignment was made of the claim to a resident of Missouri. The opinion of the lower court was deemed to be in conflict with the principles of law enunciated in another Missouri supreme court case to the effect that a suit must be based on a policy issued or liability incurred in Missouri, plus the further requirement that the policy or liability must be outstanding in the sense of being due in Missouri. The holding of the Springfield court of appeals was to the effect that a suit could be brought upon a policy not issued in, and on a liability which was not incurred in Missouri, and which was not outstanding in Missouri. The higher court decided that such a holding was directly in conflict with the other case, and consequently, the opinion of the lower court was quashed. The other decision referred to was *State ex rel. Phoenix Mutual Life vs. Harris*, 121 S. W. (2nd) 141.

Change of Beneficiary Clause Arises in Case

Attorneys representing life companies are always concerned as to how strictly directions in a policy relating to manner of effecting a change in beneficiary have to be complied with. The United States circuit court of appeals for the third circuit in *Kit vs. Stecker et al.* answered this question. This case involved a claim and the proceeds of a \$1,000 group policy. The plaintiff contended that she was named beneficiary by the deceased policyholder and the defendant also claimed the right both as administratrix of the deceased's estate and as belonging to the class designated by the policy where no beneficiary had been named. In September, 1937, the assured wrote the plaintiff's name and address on a form requesting a change in beneficiary and added the following above the name: "In case of my death the sum of \$1,000 goes to the beneficiary, Mrs. Helen Kit and nobody else." He signed the form on which the date had already been typewritten and delivered the executed request for change of beneficiary and certificate of insurance to Mrs. Kit, telling her he was giving her the policy. No notice of this action was given to the insurance company.

Earlier cases required strict compliance with the provisions of policies in order to effect a change of beneficiary. More recent cases have taken a more liberal view by endeavoring to give effect to the intention of the assured where this intention has been clearly expressed, or where the holder of the policy "has made every reasonable effort to effect a change." The most recent decision of the Pennsylvania supreme court, *Cody vs. Metropolitan Life*, recognizes "the rule requiring one claiming on a defectively or imperfectly executed appointment to show that the insured in exercising the reserved power to make the change, had done everything in the circumstances reasonably possible to comply with the provision." In the latter case the court held that the jury was justified in determining that the insured had not done the reasonably possible where he had forwarded the notice but not the certificate, which was in his wife's possession.

In the instant case, the assured filled out the form, signed it, had it witnessed by someone other than the beneficiary, read the certificate, concluded that it need not "go back to the company," and

Orders Rescission of Disability

The United States circuit court of appeals for the third circuit affirms the decision of the district court for the western division of Pennsylvania in *New York Life vs. Ruhlin*. New York Life sought to obtain a rescission of the disability and double indemnity provisions of five policies because of alleged fraud perpetrated by the insured in their procurement. The defendant made false statements in answering questions material to the risk in that he stated that he had never consulted a physician for any disease of the heart, whereas, in fact, he had suffered from and had been treated for heart trouble, myocarditis and a decompensating heart. The provisions for disability and double indemnity were held invalid because of this fraud. The incontestability clause did not bar the plaintiff from obtaining rescission of the policies, inasmuch as the provisions of the policy relative to disability and double indemnity benefits were excepted from the operation of the clause.

delivered the notice and certificate to the beneficiary. He had never seen the policy and did not know of the requirement that written notice of a change of beneficiary be given to the company. The jury found that he had done all that could be reasonably expected. This seemed to the court to bring the case under the rule defined in the *Cody* case, and the court did not find any policy of law which should prevent the finding of this ultimate fact from concluding the question in favor of the changed beneficiary.

Court Deducts First Year in Reaching Reserve Value

The St. Louis court of appeals reversed the decision of the lower court in *Legrand vs. Central States Life*. The assured defaulted in the payment of a premium due on his life policy. There was a loan outstanding of \$1,490, and the broad question was whether, at the time of the assured's default in the payment of the premium, there was sufficient reserve available after the deduction of the amount of such loan, to have purchased extended term insurance for the full face amount of the policy for a term extending beyond the date of the death of the assured.

The higher court held that the reserve was insufficient, because in accordance with the term of the policy, in the first year's insurance, term insurance, there was no reserve at the end of the term insurance period and the first year had to be discounted in computing the reserve available at the end of any subsequent year.

Contestability Clause Up

The United States circuit court of appeals affirmed the decision of the district court for the western district of North Carolina in *Davis vs. Fidelity Mutual Life*. A life policy was dated Feb. 27, 1936, in order that the assured might have the benefit of a lower rate, his insurance age changing on March 1. The policy otherwise designated the date of issue as March 27, 1936. The policy contained a provision that if the assured destroyed himself within two years from the date of issue, the insurance should only be a sum equal to the premiums paid. Having contracted that the date of issue was March 27, 1936, the death of the insured by his own hand on March 16, 1938, brought into force this clause. The insurance company was not liable, therefore, on the basis of the contract as made, the higher court held.



Leading producers and general agents of the American Mutual Life held an agency conference at the home office in Des Moines. The new home office was inspected. Ward F. Senn, president, and J. J. Moriarty, vice-president, were in charge.



The Freeman J. Wood general agency of the Lincoln National Life in Chicago won the Class I plaque in the Hall Month campaign in honor of President Arthur F. Hall. The agency also won a quota busters plaque, being ahead of both its quota and last year's business for the first six months. R. C. Fleming of the agency led the country in number of cases. Mr. Wood (inset) and his staff are shown above.

RIGHT—Among those who will judge the exhibits at the Life Advertisers Association's annual convention in Washington, D. C., are: (top to bottom) T. M. Rodlun, sales promotion consultant; W. L. White, U. S. Department of Commerce, and Lester Douglas, U. S. Chamber of Commerce, all of Washington.



The Dallas agency of the Great Southern Life held an outing at a ranch near Waco. A special bus was chartered and a dinner followed a sports program.